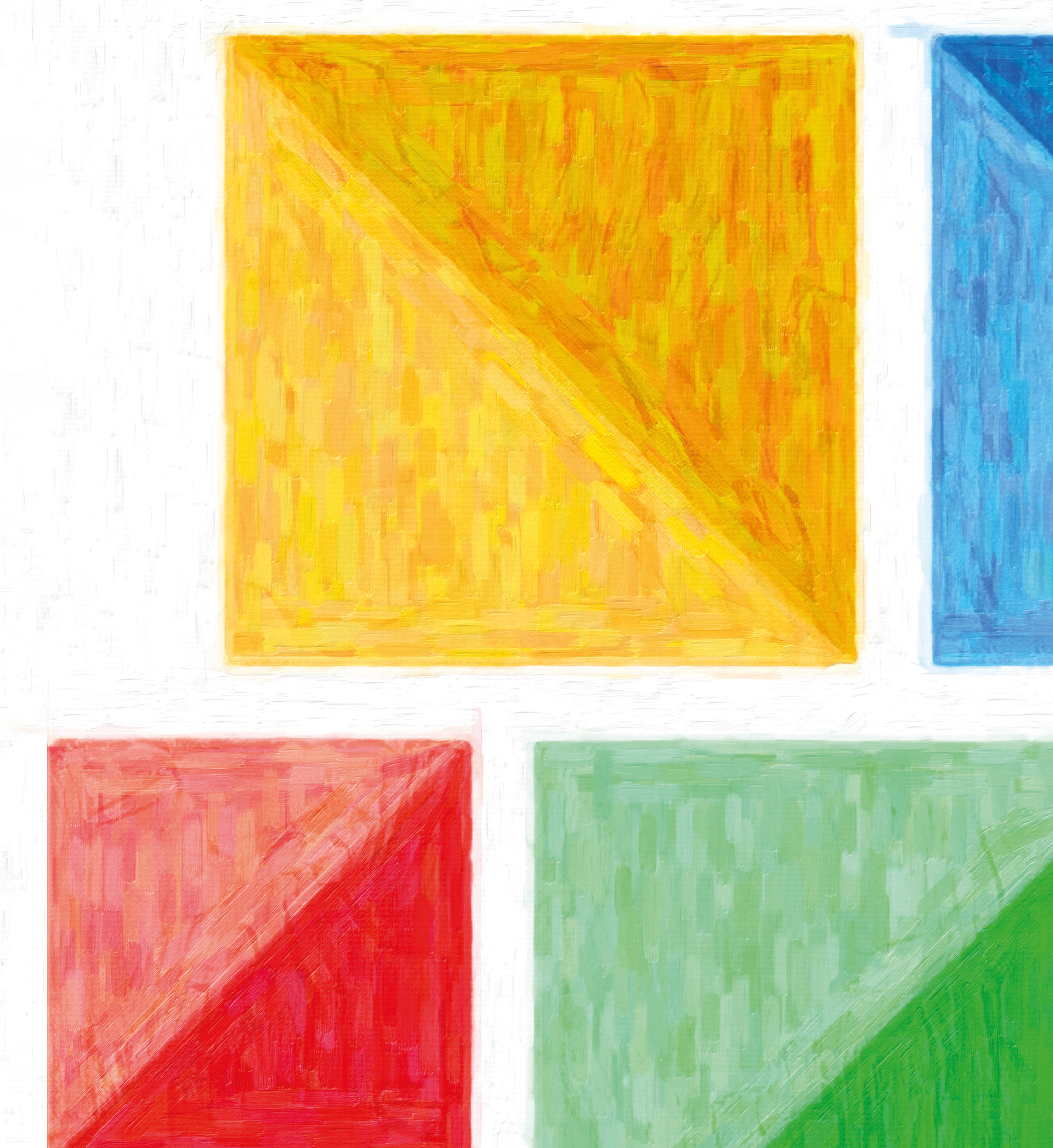
grupo cimd
Servicios de intermediación consultoría, gestión y energía

2021
Consolidated Annual Accounts

Auditor´s Report
Consolidated Annual Accounts
Directors' Report
at December 31, 2021



Corretaje e Información Monetaria y de Divisas, S.A. and subsidiaries

Auditor's report
Consolidated anual accounts at 31 December, 2021
and Directors Report at 2021

Translation of a report originally issued in Spanish based on our work performed in accordance with generally accepted auditing standards in Spain and of financial statements originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain (Notes 2 and 28). In the event of a discrepancy, the Spanish-language version prevails.

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent auditor's report on the consolidated annual accounts

To the shareholders of Corretaje e Información Monetaria y de Divisas, S.A.

Opinion

We have audited the consolidated annual accounts of Corretaje e Información Monetaria y de Divisas, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2021, and the income statement, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2021, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2 of the notes to the consolidated annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated annual accounts section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 03129

Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit

Checking the net book value of goodwill

On May 18, 2015, the parent company of the CIMD Group acquired 100% of the shares of the Millennium Company BCP Gestao de Ativos, SGFI, SA (currently called IM Gestao de Ativos, SGOIC, S.A.).

As a result of this acquisition, the Group recorded goodwill in the consolidated financial statements. This goodwill is subject to an assessment by the Group Management on an annual basis to determine if there is impairment, by calculating the value in use of each Cash Generating Unit (CGU).

The valuation methodology used by Management to obtain the value in use associated with the Company IM Gestao de Ativos, SGOIC, SA is that of discounting future free cash flows associated with said Company for a projection period of 3 years.

The estimation of the value in use of each CGU includes a high level of judgment since it is based on assumptions about aspects such as discount rates, cash flows and ·the long-term growth rates used. The model is sensitive to the variables and hypotheses used, and, due to its nature, there is a risk of inaccuracies in its valuation, subject to uncertainty, which is why we consider that its valuation is a relevant aspect of the audit.

See Notes 1, 3. e) and 10 of the accompanying consolidated annual accounts

The main audit procedures carried out, in collaboration with our valuation experts, are described below to verify the net book value of goodwill arising from the acquisition of IM Gestao de Ativos, SGOIC, S.A.:

- The evaluation of the methodology used by Management to estimate the goodwill impairment.
- Verification of the discount rate used by Management, as well as a recalculation of this including the validation of key inputs with external data.
- Validation of the reliable prediction capacity of the Administrators and of the Management by comparing the forecasts of previous years and the evaluations of the impairments with the results that have occurred.

Additionally, we have recalculated the goodwill amortization recorded in the year as established by Royal Decree 602/2016, of December 2.

We have also verified the adequacy of the information broken down in the accompanying consolidated annual accounts.

No differences, above a reasonable range, have been identified in the tests described above with respect to the valuation of goodwill detailed, as well as its accounting record and its breakdown in the consolidated annual accounts.

Consolidation process

The various companies of the CIMD Group are dedicated to performing energy investment, management, consulting and marketing services. The Group, as detailed in Note 1, is made up of 10 Companies with registered offices in Spain, Portugal and Dubai.

The consolidation process involves the following processes carried out by the Management of the Parent Company:

We have carried out a verification of the consolidation process carried out by the Management of the Parent Company as of December 31, 2021. Within the framework of this verification, we have mainly carried out the following procedures:

- Understanding of the Group structure, as wel as the hierarchical dependencies in it.

Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit
• The integration of the balances of the different Group subsidiaries. • The homogenization of the balances to the accounting criteria used by the Group that is governed by Circular 1/2021, of March 25, of the CNMV. • The conversion to the euro, the presentation currency of the Group's consolidated annual accounts, of the balances in foreign currency corresponding to the CIMD Group subsidiary Dubai, Ltd. The complexity of this process, as well as the high volume of Group balances corresponding to the different subsidiaries, make this area particularly relevant in our audit. See Notes 1 and 3 of the attached consolidated annual accounts.	• Verification of the consolidation process carried out by the management of the Parent Company, verifying all the adjustments both for integration and homogenization made in it. • Obtaining sufficient and adequate evidence on the balances coming from the different relevant subsidiaries in the context of the Group, by auditing said balances, or receiving reports and / or audit reports on the aforementioned annual accounts issued by other firms. audit, if applicable. • Verification of the exchange rates applied to the balances from the subsidiary CIMD Dubai, Ltd. As a result of the procedures described above, no relevant aspects have been identified that could affect the accompanying consolidated annual accounts.
Recognition of income from the activities of the Group Companies The companies that make up the CIMD Group are mainly engaged in providing intermediation services in operations of financial instruments on behalf of third parties or their own account, administration and representation of investment vehicles, intermediation and commercialization of energy and the carrying out of different energy projects. consulting as described in Note 1 of the accompanying consolidated annual accounts. These activities are carried out by the different companies that make up the Group domiciled in Spain, Portugal and Dubai. The Group's main income is made up of commissions received and the results of financial operations when the intermediation is carried out on its own account. The recognition of income of the different Group Companies has been considered a significant area within the framework of our audit given its relevance in the consolidated profit and loss account. See Note 19 to the attached consolidated annual accounts.	Our work has focused, for Group Companies domiciled in Spain, on the analysis, evaluation and verification of internal control, as well as on detailed tests. Regarding the internal control system, among others, we have proceeded to carry out the following procedures regarding the intermediation activity: • Understanding of the intermediation process of the main types of financial operations with which the Group Companies work, as well as the energy intermediation process. Additionally, we have carried out detailed tests for the different services provided by the different Group companies consisting of: • Confirmation of the balances held in cash accounts in financial entities and review of the corresponding bank reconciliations. • Request, for a sample of customers, for confirmation of billing and revenue pending collection as of September 30, 2021. • Verification of settlement for a sample of

invoices issued.

- Verification of accuracy and existence by checking ballots and customer orders for a sample of operations traded in the financial markets.
- Verification of the income recorded by the advisory services by requesting support information for a sample of operations.
- Global recalculation of the management commission charged by the Management Companies of IICs and Securitization Funds, verifying that the applied commission rates correspond to those collected with the rates communicated to the National Securities Market Commission through the information brochures.
- Confirmation with OMIE (Iberian Energy Market Operator) of the income and expenses from energy intermediation as of December 31, 2021.
- Re-execution of the calculation of provisions for insolvency of those clients that present defaults.
- Verification of compliance with the maximum rates detailed in the rate attached to the CNMV website in the case of intermediation of operations with retail clients.
- Verification of the accounting record and accrual of income pending collection as of December 31, 2021.
- Verification of the absence of unusual entries on the accounting accounts in which this income is recorded.

Additionally, for the Companies belonging to the Group domiciled in Portugal and Dubai, we have obtained sufficient and adequate evidence on their balances, by receiving the corresponding reporting's or audit reports on their annual accounts or financial information as of December 31, 2021 issued by PwC Dubai and by other audit firms.

As a result of the procedures described above, no relevant aspects have been identified that could affect the accompanying consolidated annual accounts.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2021 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that the consolidated statement of non-financial information has been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2021 financial year, and its content and presentation are in accordance with applicable regulations.

Responsibility of the Parent company's directors for the consolidated annual accounts

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the aforementioned directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts 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 legislation governing the audit practice in Spain 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 consolidated annual accounts.

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

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.

- Conclude on the appropriateness of the Parent company's directors' 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 annual accounts 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.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company's directors 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.

From the significant risks communicated with the directors of the Parent company, we determine those risks that were of most significance in the audit of the consolidated annual accounts of the current period and are, therefore, considered to be the most significant risks.

We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Javier Pato Blázquez (22313)

25 March 2022

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET FOR THE YEARS ENDED AS AT 31 DECEMBER 2021

	2021	2020 (*)
Assets		
Treasury (Note 5)	1 186 522.43	2 815 353.21
Trading portfolio (Note 6)	13 593 769.05	14 912 692.84
Debt securities	1 234 370.72	4 511 131.79
Equity instruments	12 060 081.56	10 318 451.85
Derivatives	299 316.77	83 109.20
Other financial assets	-	-
Pro notes to accounts: Lent or under guarantee	-	-
Other financial assets at fair value through profit or loss	1 545 508.50	-
Debt securities	-	-
Equity instruments	1 545 508.50	-
Other financial assets	-	-
Pro notes to accounts: Lent or under guarantee	-	-
Available-for-sale financial assets (Note 6)	-	671 500.00
Debt securities	-	-
Equity instruments	-	671 500.00
Pro notes to accounts: Lent or under guarantee	-	-
Loans and receivables	222 041 005.28	82 607 766.94
Loans and advances to financial intermediaries (Note 7)	171 814 774.52	74 586 651.69
Loans and advances to customers (Note 8)	50 226 230.76	8 021 115.25
Other financial assets	-	-
Held-to-maturity investments	-	-
Pro notes to accounts: Lent or under guarantee	-	-
Hedging derivatives	-	-
Non-current assets held for sale	-	610.00
Debt securities	-	-
Equity instruments	-	610.00
Tangible assets	-	-
Other	-	-
Investments	-	-
Group entities	-	-
Jointly-controlled entities	-	-
Associates	-	-
Insurance contracts linked to pensions	-	-
Tangible assets (Note 9)	961 185.16	1 162 822.58
For own use	961 185.16	1 162 822.58
Investment properties	-	-
Intangible assets (Note 10)	3 158 686.92	5 455 616.23
Goodwill (Notes 1 and 3.e)	719 754.25	2 879 016.37
Other intangible assets	2 438 932.67	2 576 599.86
Tax assets (Note 16)	2 278 908.97	2 043 276.60
Current	145 923.56	460 372.57
Deferred	2 132 985.41	1 582 904.03
Other assets (Note 8)	2 512 120.73	4 136 855.74
Total assets	247 277 707.04	113 806 494.14

(*)They are presented, only and exclusively, for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET FOR THE YEARS ENDED AS AT 31 DECEMBER 2021

	2021	2020 (*)
Liabilities and equity		
Financial liabilities at amortised cost	59 275 883.45	25 799 355.93
Financial intermediaries debts (Note 11)	51 329 550.79	22 773 997.76
Customer debts (Note 11)	7 946 332.66	3 025 358.17
Loans and subordinated liabilities	-	-
Other financial liabilities	-	-
Hedging derivatives	-	-
Liabilities associated with non-current assets held for sale	-	-
Provisions (Note 13)	1 227 124.15	1 639 415.14
Provisions for pensions and similar obligations	-	-
Provisions for taxes and other legal contingent	-	613 543.04
Other provisions	1 227 124.15	1 025 872.10
Tax liabilities (Note 16)	186 387.61	212 255.24
Current	186 387.61	212 255.24
Deferred	-	-
Other liabilities (Note 12)	132 832 712.02	35 331 349.03
Total liabilities	193 522 107.23	62 982 375.34
Equity (Note 14)		
Capital	2 018 656.83	2 018 656.83
Registered	2 018 656.83	2 018 656.83
Less: Capital non demanded	-	-
Share premium (Note 14)	3 555 844.89	3 555 844.89
Reserves (Note 14)	43 037 537.72	42 460 396.47
Other equity instruments (Note 14)	(150 750.00)	(71 100.00)
Less: Treasury shares	(150 750.00)	(71 100.00)
Profit or loss for the period (Note 14)	2 493 634.12	4 739 656.86
Less: Dividends and remuneration	-	(3 250 000.00)
Valuation adjustments (Note 14)	962 298.47	(143 287.38)
Available-for-sale financial assets	-	-
Cash-flow hedges	-	-
Hedges of net investments in foreign operations	-	-
Exchange differences (Note 14)	962 298.47	(143 287.38)
Other valuation adjustments	-	-
Grants, donations and legacy	-	-
Total equity attributable to Parent Company	51 917 222.03	49 310 167.67
Minority interest (Note 14)	1 838 377.78	1 513 951.13
Total liabilities and equity	247 277 707.04	113 806 494.14

(*)They are presented, only and exclusively, for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET FOR THE YEARS ENDED AS AT 31 DECEMBER 2021

Off-Balance-Sheet	**2021**	**2020 (*)**
Bank and granted guarantees (Note 17)	20 642 605.94	12 319 367.50
Other contingent liabilities	-	-
Financial assets forward purchase commitments	-	-
Payouts engaged by issues ensured	-	-
Own values assigned as lendings	-	-
Financial derivatives (Note 17)	5 703 302.24	4 966 417.04
Other risk and commitment accounts (Note 17)	-	-
Total risk and commitment accounts	26 345 908.18	17 285 784.54
Security deposits (Note 17)	1 470 604 109.26	2 841 245 463.40
Managed portfolios (Note 17)	4 523 889 577.96	3 302 215 480.72
Other off-balance sheet items (Note 17)	26 465 737.53	21 695 398.18
Total other off-balance sheet accounts	6 020 959 424.75	6 165 156 342.30

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CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

	2021	2020 (*)
Interest and similar incomes	68 053.23	16 247.56
Interest expenses and similar charges	(149 494.67)	(97 857.23)
Result from interest (Note 18)	(81.441.44)	(81 609.67)
Return on equity instruments		-
Fees and commissions incomes (Note 19)	60 384 679.20	60 952 450.03
Fees and commissions expenses (Note 20)	(6 877 073.03)	(5 937 494.09)
Gains and losses on financial assets and liabilities (net) (Note 21)	2 968 861.91	3 043 265.46
Held for trading (Note 21)	2 968 861.91	3 043 265.46
Other financial instruments at fair value through profit or loss	-	-
Financial instruments not valued at fair value through profit and loss	-	-
Other	-	-
Exchange differences (net) (Note 20)	(313 027.23)	318 364.29
Other operating incomes	-	-
Other operating charges (Note 20)	(71 000.04)	(82 434.18)
Gross margin	56 010 999.37	58 212 541.84
Personnel expenses (Note 22)	(36 775 191.40)	(38 058 102.76)
Other administrative expenses (Note 23)	(11 904 767.21)	(11 576 260.99)
Depreciation and amortizations (Notes 9 and 10)	(2 768 190.73)	(2 724 928.95)
Provisioning expenses (net)	-	-
Impairment losses (net)	(344 595.86)	(309 125.75)
Loans and receivables (Note 8)	(344 595.86)	(309 125.75)
Other financial instruments not valued at fair value through profit and loss	-	-
Operating incomes or expenses (net)	4 218 254.17	5 544 123.39
Impairment losses from other assets (net)	(1 398 236.32)	(21 376.92)
Tangible assets (Note 9)	-	-
Intangible assets (Note 10)	(23 236.32)	(21 376.92)
Other	(1 375 000.00)	-
Gains / (Losses) on assets dropped not classified as not current on sales	-	-
Loss difference on combinations of businesses	-	-
Profits / (Losses) from non-current asset held for sales not classified as interrupted operations	-	-
Profit or loss before income tax	2 820 017.85	5 522 746.47
Income tax (Note 16)	(181 975.50)	(603 850.17)
Profit or loss for year from continuing operations		
Profit or loss from discontinued operations (net)	2 638 042.35	4 918 896.30
		-
Profit or loss for the year	2 638 042.35	4 918 896.30
Profit or loss attributed to Parent Company (Note 14)	2 493 634.12	4 739 656.86
Profit or loss attributed to minorities (Note 14)	144 408.23	179 239.44
Profit per share		
Basic (Note 14)	7.45	14.13
Diluted (Note 14)	7.45	14.13

(*)They are presented, only and exclusively, for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AT 31 DECEMBER 2021
(Expressed in Euros)

a) Statement of recognised income and expense

	2021	2020 (*)
Profit or loss for the year	2 638 042.35	4 918 896.30
Other recognised incomes and expenses	-	-
Available-for-sale financial assets	-	-
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Other reclassifications	-	-
Cash flow hedge	-	-
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Amounts transferred to hedge amounts' initial	-	-
Other reclassifications	-	-
Net foreign (international) business investments hedge	-	-
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Other reclassifications	-	-
Exchange differences	1 105 585.85	(945 817.35)
Gains / (Losses) by measure		
Amounts transferred to profit and loss account		
Other reclassifications	1 105 585.85	(945 817.35)
Non-current assets held for sale	-	-
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Other reclassifications	-	-
On actuarial gains and losses	-	-
Other recognised incomes and expenses	-	-
Income tax	-	-
Total recognised incomes and expenses	3 743 628.20	3 973 078.95
From Parent Company (Note 14)	3 599 219.97	3 793 839.51
From minority interests (Note 14)	144 408.23	179 239.44

(*) They are presented, only and exclusively, for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AT 31 DECEMBER 2021
(Expressed in Euros)

b) Total statements of changes in equity

	NET EQUITY FROM PARENT COMPANY											
	SHAREHOLDERS´ EQUITY											
	Capital	**Share premium**	**Reserves**	**(Invididuall and Parent Company Equity))**	**Interim dividend**	**Other equity instruments**	**Profit or loss for the year**	**Net equity from Parent Company**	**Valuation adjustment**	**Total equity**	**Minority interests**	**Total equity**
Balance at 2020(*) year end	2 018 656.83	3 555 844.89	42 460 396.47	(71 100.00)	(3 250 000.00)	-	4 739 656.86	49 453 455.05	(143 287.38)	49 310 167.67	1 513 951.13	50 824 118.80
Adjustments due to criteria changes	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments due to errors on previous years	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted balance, beginning 2021	2 018 656.83	3 555 844.89	42 460 396.47	(71 100.00)	(3 250 000.00)	-	4 739 656.86	49 453 455.05	(143 287.38)	49.310.167.67	1 513 951.13	50 824 118.80
Total recognised income and expenses	-	-		-	-	-	2 493 634.12	2 493 634.12	-	2 493 634.12	324 426.65	2 818 060.77
Other movements in equity												
Increase of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend payment / shareholders' remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Transfer between equity amounts	-	-	577 141.25	-	3 250 000.00	-	(4 739 656.86)	(912 515.61)	1 105 585.85	193 070.24	-	193 070.24
Trading in treasury shares (net)	-	-	-	-	-	-	-	-	-	-	-	-
Other increase / (decrease) in equity	-	-	-	(79 650.00)	-	-	-	(79 650.00)	-	(79 650.00)	-	(79 650.00)
Balance at 2021 year end	2 018 656.83	3 555 844.89	43 037 537.72	(150 750.00)	-	-	2 493 634.12	50 954 923.56	962 298.47	51 917 222.03	1 838 377.78	53 755 599.81

(*) They are presented, only and exclusively, for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AT 31 DECEMBER 2021
(Expressed in Euros)

	NET EQUITY FROM PARENT COMPANY											
	SHAREHOLDERS´ EQUITY											
	Capital	**Share premium**	**Reserves**	**(Invididuall and Parent Company Equity)**	**Interim dividend**	**Other equity instruments**	**Profit or loss for the year**	**Net equity from Parent Company**	**Valuation adjustment**	**Total equity**	**Minority interests**	**Total equity**
Balance at 2019(*) year end	2 018 656.83	3 555 844.89	41 721 743.63	(71 100.00)	(4 250 000.00)	-	4 969 333.32	47 944 478.67	802 529.97	48 747 008.64	1 466 711.69	50 213 720.33
Adjustments due to criteria changes	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments due to errors on previous years	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted balance, beginning 2020	2 018 656.83	3 555 844.89	41 721 743.63	(71 100.00)	(4 250 000.00)	-	4 969 333.32	47 944 478.67	802 529.97	48 747 008.64	1 466 711.69	50 213 720.33
Total recognised income and expenses	-	-		-	-	-	4 739 656.86	4 739 656.86	-	4 739 656.86	47 239.44	4 786 896.30
Other movements in equity												
Increase of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend payment / shareholders' remuneration	-	-	-	-	(3 250 000.00)	-	-	(3 250 000.00)	-	(3 250 000.00)	-	(3 250 000.00)
Transfer between equity amounts	-	-	738 652.84	-	4 250 000.00	-	(4 969 333.32)	19 319.52	(945 817.35)	(926 497.83)	-	(926 497.83)
Trading in treasury shares (net)	-	-	-	-	-	-	-	-	-	-	-	-
Other increase / (decrease) in equity	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 2020 year end	2 018 656.83	3 555 844.89	42 460 396.47	(71 100.00)	(3 250 000.00)	-	4 739 656.86	49 453 455.05	(143 287.38)	49 310 167.67	1 513 951.13	50 824 118.80

(*) They are presented, only and exclusively, for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED AT 31 DECEMBER 2021
(Expressed in Euros)

	2021	2020 (*)
Cash flows from operating activities (+/-)	87 568 555.06	28 957 401.54
Profit or loss for the year(+/-) (Note 14)	2 638 042.35	4 918 896.30
Adjustment to achieve cash flow from operating activities(+/-)	3 331 518.63	2 865 515.13
Depreciation and amortization (Notes 9 and 10)	2 768 190.73	2 724 928.95
Losses (net) by assets impairment (+/-) (Notes 8, 9 and 10)	367 832.18	330 502.67
Provisioning risk expense (net)(+/-)	-	-
Profit / Losses by sales of non-financial assets (+/-)	-	-
Profit /Losses by sales of interest in subsidiaries (+/-)	-	-
Other items (+/-)	195 495.72	(189 916.49)
Adjusted result (+/-)	5 969 560.98	7 784 411.43
Net increase (decrease) operating assets (+/-)	(49 353 028.80)	1 418 298.76
Loans and receivables (+/-) (Notes 7 and 8)	(51 187 046.73)	(1 664 889.96)
Held for trading (+/-) (Note 6)	1.318.923.79	2 492 541.45
Other financial assets at fair value through profit or loss (+/-)	(874 008.50)	
Available-for-sale financial assets (+/-) (Note 6)	-	600.00
Other operating assets (+/-) (Note 8 and 16)	1 389 102.64	590 047.27
Net increase (decrease) operating liabilities (+/-)	130 952 022.88	19 754 691.35
Financial liabilities at amortised cost (+/-) (Note 11)	33 476 527.52	18 501 274.26
Held for trading (+/-)	-	-
Other financial liabilities at fair value through profit or loss (+/-)	-	-
Other operating liabilities (+/-) (Notes 12 and 16)	97 475 495.36	1 857 267.26
Collections / payments for income tax (+/-) (Note 12)	-	(603 850.17)
Cash flows from financing activities (+/-)	(2 282 164.32)	58 998.29
Payments (-)	(2 282 164.32)	-
Held-to-maturity investments (-)	(1 989 304.00)	-
Shares (-)	-	-
Tangible assets (-) (Note 9)	(135 061.34)	-
Intangibles assets (-) (Note 10)	(157 798.98)	-
Other business' units (-)	-	-
Non-current assets and sales' liabilities (-)	-	-
Other payments related to investment activities (-)	-	-

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED AT 31 DECEMBER 2021
(Expressed in Euros)

	2021	2020 (*)
Collections (+)	-	58 998.29
Held-to-maturity investments (+)	-	-
Shares (+)	-	-
Tangible assets (+)	-	294 348.73
Intangible assets (+)	-	(235 350.44)
Other business unities (+)	-	-
Non-current assets and sales liabilities (+)	-	-
Other collections related to investment activities (+)	-	-
Cash flows from financing activities (+/-)	-	-
Payments (-)	-	-
Equities instruments amortizations (-)	-	-
Own equities instruments purchased (-) (Note 14)	-	-
Return and amortizations of bonds and others marketable securities (-) (Note 14)	-	-
Return and amortization of subordinated liabilities, loans and other finances received (-)	-	-
Collections (+)	-	-
Equity instruments issues (+)		
Issue and disposal own equity instruments (+)	-	-
Bonds and other marketable securities issue (+)	-	-
Issue of subordinated liabilities, loans and other finances (+)	-	-
Dividends paid and other equity instruments remuneration (-) (Note 14)	-	(3 250 000.00)
Effect of exchange rate fluctuations in cash or cash equivalents (+/-)	313 027.23	(318 364.29)
Net increase/decrease in cash or cash equivalents	85 599 417.97	25 448 035.54
Cash or cash equivalents at the beginning of the year (+/-) (Note 5)	64 189 766.39	38 741 730.84
Cash or cash equivalents at the end of the year (+/-) (Note 5)	149 789 184.36	64 189 766.39

(*) They are presented, only and exclusively, for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

1. Activity and information of a general nature

Corretaje e Información Monetaria y de Divisas, S.A. (hereinafter, the Parent Company or CIMD, S.A.) was established on 13 April 1984. Its registered office is located in Madrid, Calle Príncipe de Vergara, nº 131, floor 3ª. The Company was incorporated for an unlimited period of time.

The Parent Company's corporate purpose is:

a) The administration and management of the business activities carried out by the entities that are majority participating.

b) The administration, intermediation, possession, acquisition, holding and disposal securities by any means admitted by law.

c) Management of obtaining resources from banking, financial, industrial and commercial institutions, in the form it deems convenient.

d) The promotion of industrial and commercial companies and businesses, on its own account or for third parties, both in Spain and abroad.

e) Supplying assistance and advice on the implementation of companies, the acquisitions and mergers of companies, and on accidents and insurance.

f) The exclusive or non-exclusive representation, in and outside Spain, of national and foreign firms.

g) Sale/purchase business arrangements and intermediation in all types of assets.

In general, any operations, the performance of which is legally entrusted exclusively to determined entities or institutions, are expressly excluded from the social objective, as are those that are legally prohibited.

a) <u>Subsidiaries</u>

- **Corretaje e Información Monetaria y de Divisas, Sociedad de Valores, S.A.**:

Corretaje e Información Monetaria y de Divisas, Sociedad de Valores, SA (hereinafter, CIMD, S.V., S.A.) was established on January 29, 1988 with the initial name of "Corretaje e Información Monetaria y de Divisas, Mediador de Deuda, S.A ". In August 1990 it became a Securities Agency, being registered on January 2, 1991 in the Registry of Investment Services Companies of the National Securities Market Commission (hereinafter, CNMV) with number 125. With date February 23, 2010, the Ministry of Economy and Finance resolved to authorize the transformation of the company into a Securities Society, changing to its current name. CIMD, S.A. has a direct 99.99% stake in the company.

Its main activities, in accordance with its corporate purpose, are the reception, transmission and execution of customer orders in relation to one or more financial instruments, trading on its own account and the management of an organized trading system, activities authorized by the CNMV.

- **Intermoney Valores, Sociedad de Valores, S.A**.:

The subsidiary Intermoney Valores, Sociedad de Valores, S.A. (hereinafter, Intermoney Valores, S.V, S.A.) was established on 14 May 1998, under the denomination of Corretaje Multi-Bolsa, Agencia de Valores y Bolsa, S.A., changing to a Securities Company in the year 2000. It has been registered with the CNMV under number 169 since June 12, 1998. CIMD, S.A. has a direct 99.99% stake in the company.

Its main activities, in accordance with its corporate purpose, are the reception, transmission and execution of customer orders in relation to one or more financial instruments, trading on its own account and portfolio management, activities authorized by the CNMV.

- **Intermoney Gestión, Sociedad Gestora de Instituciones de Inversión Colectiva, S.A**.:

Intermoney Gestión, Sociedad Gestora de Instituciones de Inversión Colectiva, S.A. (hereinafter, Intermoney Gestión, S.G.I.I.C., S.A.) was established on February 2, 1987 under the name Gescatalana, S.A., registering in the Registry of Management Companies of Investment Institutions CNMV under number 69.

Following the acquisition of the Company by the CIMD Group on June 23, 2000, the name's change to the current one was approved. CIMD, S.A. has a direct 99.96% stake in the company.

The company, in accordance with its corporate purpose, is authorized by the CNMV to carry out the management and marketing activities of Collective Investment Institutions, harmonized and not harmonized. Likewise, on December 20, 2019, it obtained authorization from the CNMV to administer, represent, manage and market venture capital entities.

- **Intermoney Titulización, Sociedad Gestora de Fondos de Titulización, S.A**.:

The subsidiary Intermoney Titulización, Sociedad Gestora de Fondos de Titulización, S.A. (hereinafter, Intermoney Titulización, S.G.F.T., S.A.) was established on October 16, 2003 and it is registered in the CNMV Registry under number 10. CIMD, S.A. has a direct participation of 66,98% in the company.

The company, in accordance with its corporate purpose, is authorized by the CNMV to carry out the activities of constitution, administration and representation of Asset Securitization Funds, Mortgage Securitization Funds and Bank Asset Funds. The validation of the CNMV necessary for the constitution, administration and representation of Banking Asset Funds was obtained in May 2013.

- **Wind to Market, S.A.**:

The subsidiary Wind to Market, S.A. was constituted on 23 April 2004, being acquired by CIMD, S.A. in 2006. The acquisition cost of this company reflects both the amount actually disbursed and the additional amounts paid to the selling company based on the contractual agreements signed with it, having arisen a consolidated goodwill that is fully amortized as of December 31, 2021 and 2020. CIMD, SA has a direct 99.99% stake in the company.

Its main activities are, in accordance with its corporate purpose, the performance of all kinds of activities, works and services related to the business of commercialization of electric energy or electricity derivatives, including acting as seller or market agent; intermediation in the negotiation, negotiation, purchase and sale in the energy market, energy products or any asset related to or having energy or energy products as underlying, as well as in the market of greenhouse gas emission rights and any other asset related to the foregoing.

- **Intermoney, S.A.**:

The subsidiary Intermoney, S.A. was created on 3 August 1973 under the official name of Intermediarios Monetarios, S.A. and assumed its current denomination on 25 February 1992. CIMD, S.A. has a direct 99.99% stake in the company.

Its main activities are, in accordance with its corporate purpose, the rendering of consulting services; the preparation of all kinds of reports, studies and publications; the design, preparation and execution of courses and seminars; the performance of all kinds of activities related to advice, studies, analysis and dissemination in the field of money markets; the reception, preparation and dissemination of information on financial instruments, other types of assets, operations related thereto and their participants; and the reception, preparation and marketing of all types of financial, economic and commercial information on operations related to financial instruments or other types of assets in the financial sector or the energy sector.

- **Intermoney Valora Consulting, S.A.**:

The subsidiary Intermoney Valora Consulting, S.A. was constituted on 26 august 2008, having CIMD, S.A. a direct participation of 99.99% in the company.

The company develops the following activities, in accordance with its corporate purpose: the provision of financial consulting services, the valuation of companies and projects and the provision of other support services in corporate operations, the provision of support services to control units of management companies, the performances of studies and research in relation to energy and energy markets, the development, marketing and maintenance of software programs related to energy markets, energy systems as well as energy and it sources, and assistance, advice and training in relationship with the subjects and activities cited in the previous sections.

- **CIMD (Dubai) Limited**:

CIMD (Dubai) Limited was incorporated in Dubai on June 13, 2012, being registered in the Companies Register of the Dubai International Financial Center (DIFC) with number 1225 and being supervised by the Dubai Financial Services Authority (DFSA). Its share capital is 1,100,000 USD (833,712.29 euros), being the direct participation of CIMD, S.A. 100%.

Its main activity, in accordance with its corporate purpose, is the provision of intermediation services on financial instruments, an activity authorized by the DFSA.

- **IM Gestâo de Ativos, Sociedade Gestora de Organismos de Investimento Coletivo, S.A.:**

On 18 May 2015 was formalized the adquisition of the Company Millenium BCP Gestâo de Ativos – Sociedade Gestora de Fundos de Investimento, S.A., whose name changed later to IM Gestâo de Ativos**,** Sociedade Gestora de Fundos de Investimento, S.A. During the financial year 2019 the name was changed to IM Gestão de Ativos, Sociedade Gestora de Organismos de Investimento Coletivo, S.A. (hereinafter IM Gestão de Ativos, S.G.O.I.C., S.A.). The company is established in Lisbon (Portugal) and is supervised by the Portuguese Comissão do Mercado de Valores Mobiliários (CMVM). CIMD, S.A. has a direct 100% shareholding in the company. The company is established in Lisbon (Portugal) and is supervised by the Comissão do Mercado de Valores Mobiliários (CMVM) of Portugal. CIMD, S.A. has a direct 100% stake in the company.

In accordance with its corporate purpose and with the authorization of the CMVM, the main activity of the company is the management of collective investment institutions, being also authorized to manage venture capital funds.

The purchase price assumed by CIMD, S.A. raised up to 22,665,517.00 euros. This amount corresponded to the price agreed in the purchase contract for the amount of 15,750,060.00 euros plus the following adjustments on the initial price established by contract:

- Price adjustment based on the change in the net equity of the company, which occurred in the period from December 31, 2013 to the date of completion of the transaction, which amounted to a total of 2,915,457.00 euros.

- Price adjustment based on a minimum percentage of portfolio of managed funds and management fees related to funds distributed by BCP in its commercial network in the following three years from the date of the purchase transaction (May 2015), and whose total amount amounts to 4,000,000.00 euros. CIMD, S.A. estimated that it was highly probable that the contingent payment to BCP would be based on the conditions established in the agreement, and therefore, considering the application rules, this amount was fully considered as the higher price of the transaction. This payment became effective on May 17, 2018.

For the accounting of this business combination, the Parent Company of the Group applied the acquisition method.

According to the acquisition method, the comparison between the fair values assigned to the assets acquired and liabilities assumed by IM Gestâo de Ativos, S.G.O.I.C., S.A., together with the intangible assets identified, and the purchase price detailed above in consideration of the operation, generated an initial goodwill of 15,114,835.00 euros. Pursuant to Royal Decree 1/2021, of January 12, the Parent Company has assessed the consolidated goodwill at acquisition cost, reduced by the accumulated amortization based on a useful life of seven years, with the effect of retroactive amortization of goodwill of consolidation. As a result, the consolidated goodwill of the company as of December 31, 2021 and 2020 amounts to a net amount of 719,754.25 euros and a net amount of 2,879,016.37 euros, respectively (Note 10). Following the evaluation of the mentioned goodwill, no deterioration has been observed based in the company's performance, its level of results and the degree of achievement of its business plan, in addition to the net amortization value of such goodwill.

On 31 December 2021 the registered address of the entities mentioned, as well as the Parent Company, is at Calle Príncipe de Vergara 131, 3rd floor, Madrid, except for:

- CIMD (Dubai) Limited, with registered office at Central Park Towers, Level 19, Unit 19-32, DIFC, P.O. Box 506776, Dubai, United Arab Emirates.

- IM Gestâo de Ativos, S.G.O.I.C., S.A. with registered office at Avenida da República, nº 25, 5º A, Lisbon, Portugal.

The relevant information of the shareholding in subsidiaries companies as at 31 December 2021 and 2020 is as follow:

						Euros
	Carrying value in Parent Company Books	% direct shareholding	% indirect shareholding	Capital[1]	Reserves	Profit/(loss) for the year
As at 31 December 2021						
CIMD, S.A. (Sociedad Matriz)	-	-	-	5 574 501.72	24 819 632.73	5 977 348.38
CIMD, S.V., S.A.	3 005 053.04	99.99%	0.01%	3 005 000.00	4 993 436.63	867 330.38
Intermoney, S.A.	687 001.53	99.99%	0.01%	337 000.00	558 008.93	(208 529.15)
Intermoney Valores, S.V., S.A.	13 260 495.92	99.99%	0.01%	15 000 000.00	2 622 110.00	(1 231 171.02)
Intermoney Gestión, S.G.I.I.C., S.A.	1 370 965.37	99.96%	0.04%	1 054 009.60	162 956.89	448 463.49
Wind to Market, S.A.	866 535.14	99.99%	0.01%	961 000.00	2 462 178.20	646 369.38
Intermoney Titulización, S.G.F.T., S.A.	1 193 465.90	66.98%	0.00%	2 155 000.00	3 341 503.75	437 388.65
Intermoney Valora Consulting, S.A.	1 303 415.82	99.99%	0.01%	667 000.82	681 231.39	279 993.57
CIMD (Dubai) Ltd	858 971.58	100%	0.00%	1 100 000.00*	5 204 149.95*	6 250 890.53*
IM Gestão de Ativos, S.G.O.I.C., S.A.	8 935 517.00	100%	0.00%	1 000 000.00	2 895 627.00	1 868 518.00

[1] Includes the Share capital and the Share Premium.
[2] Includes negative results from previous years.
*Amounts expressed in USD.

						Euros
	Carrying value in Parent Company Books	% direct shareholding	% indirect shareholding	Capital[1]	Reserves	Profit/(loss) for the year
Al 31 de diciembre de 2020						
CIMD, S.A. (Sociedad Matriz)	-	-	-	5 574 501.72	23 935 884.07	4 662 648.66
CIMD, S.V., S.A.	3 005 053.04	99.99%	0.01%	3 005 000.00	4 905 885.72	2 987 492.91
Intermoney, S.A.	345 007.03	99.99%	0.01%	337 000.00	458 204.03	(450 186.01)
Intermoney Valores, S.V., S.A.	13 260 495.92	99.99%	0.01%	15 000 000.00	2 642 034.44	(19 924.04)
Intermoney Gestión, S.G.I.I.C., S.A.	1 216 965.37	99.96%	0.04%	1 054 009.60	238 100.89	(75 144.24)
Wind to Market, S.A.	866 535.14	99.99%	0.01%	961 000.00	2 502 109.20	(39 004.08)
Intermoney Titulización, S.G.F.T., S.A.	1 193 465.90	70.00%	0.00%	1 705 000.00	3 184 038.96	597 464.79
Intermoney Valora Consulting, S.A.	1 303 415.82	99.99%	0.01%	667 000.82	685 208.39	(3 976.77)
CIMD (Dubai) Ltd	774 693.09	100.00%	0.00%	1 100 000.00*	5 153 278.95*	6 570 871.00*
IM Gestão de Ativos, S.G.O.I.C., S.A.	8 935 517.00	100.00%	0.00%	1 000 000.00	2 913 171.54	1 862 272.26

[1] In the Parent Company includes the Share capital and the Share Premium.
[2] Includes negative results from previous years.
*Amounts expressed in USD.

b) Major events

Year 2021:

- **Extension of the distribution agreement of IM Gestão de Ativos, S.G.O.I.C., S.A. withBanco Comercial Portugues and Activobank:**

  On 25 August 2021 IM Gestão de Ativos, S.G.O.I.C., S.A. signed with Banco Comercial Português, S.A. and with Banco ActivoBank, S.A. an addendum to each of the two distribution contracts signed on 21 September 2017 with said entities, whereby the duration of the aforementioned contracts is modified by establishing as effective date 1 February 2021 and a minimum term of 7 years, i.e. until 31 January 2028.

- **Contribution of shareholders in Intermoney, S.A.:**

  On 26 May 2021, the General Shareholders' Meeting of Intermoney, S.A. approved a shareholder contribution of EUR 550 thousand to offset losses recorded in previous years, which was paid by the Company in its corresponding percentage interest (99.99%).

- **Amortisation of goodwill generated by the acquisition of IM Gestão de Ativos, S.G.O.I.C., S.A.:**

  At 31 December 2021, and based on the useful life determined for the goodwill identified in the acquisition of the investment in IM Gestão de Ativos, S.G.O.I.C., S.A., CIMD, S.A. has amortised the same for a total amount of 2,159,262.12 euros (Note 10).

- **Registration of Tucana Inversiones, S.A., SICAV in the CNMV Registry:**

  On 19 February 2021 Tucana Inversiones, S.A., SICAV, was re-registered in the Administrative Register of the CNMV.

(Expressed in Euros)

Year 2020:

- **Amortization of the Goodwill generated by the acquisition of IM Gestão de Ativos, S.G.O.I.C., S.A.:**

  As of December 31, 2020 and based on the useful life determined for the goodwill identified in the acquisition of the investment in IM Gestão de Ativos, S.G.O.I.C., S.A., CIMD, S.A. it has proceeded to amortize it in a total amount of 2,159,262.12 euros (Note 10).

- **Constitution of a Venture Capital Fund:**

  On February 28, 2020, the CNMV registered in the administrative register of venture capital funds the fund called Lynx Renovables Iberia, FCR, as well as Intermoney Gestión, S.G.I.I.C., S.A. as a managing entity.

- **Cancellation of Tucana Inversiones, S.A., SICAV in the CNMV Registry:**

  On July 29, 2020, Tucana Inversiones, SA, SICAV, managed by Intermoney Gestión, SGIIC, SA, was removed from the Administrative Registry of Variable Capital Investment Companies of the CNMV after having failed to comply with the minimum number of shareholders required in Article 6 of the Regulations for Collective Investment Institutions of Law 35/2003, of November 4, approved by Royal Decree 1082/2012, of July 13, and the period of one year, provided for in articles 13.1, having elapsed of the aforementioned Law and 16.1 of its Regulations, without having proceeded to its permanent reconstitution. On February 19, 2021, the SICAV has been registered again in the Administrative Register of the CNMV.

c) Drawing up date

The Board of Directors of the Parent Company of the Group, on March 23, 2022, proceeds to formulate the consolidated and individual annual accounts and the consolidated and individual management report for the year ended December 31, 2021. The date of Formulation of the annual accounts of the rest of the Group companies was on March 11, 2022.

At the time of drawing up of these consolidated annual accounts, the Directors are detailed as follow:

D. Iñigo Trincado Boville	Chairman
D. Luis E. Navarro Barrionuevo	Vice-Chairman
D. Rafael de Mena Arenas	Director
D. Rafael Bunzl Csonka	Director
Crédito Agrícola, S.G.P.S., S.A.	Director (represented by Mr. Sérgio Manuel Raposo Frade)
Banco de Crédito Social Cooperativo, S.A.	Director (represented by D. Antonio de Parellada Durán)
D. José Antonio Ordás Porras	Director
D. Carlos Javier Ciérvide Jurío	Director
D. Javier de la Parte Rodríguez	Director
D. Pedro Manuel Dolz Tomey	Director

(Expressed in Euros)

d) Staff

By categories, the average number of staff employed by the Group during the years 2021 and 2020 is as follows:

	2021			2020		
	Males	**Females**	**Total**	**Males**	**Females**	**Total**
Management	20	6	26	22	5	27
Staff	176	120	296	183	119	302
	196	126	322	205	124	329

As regards the rest of the information required by the Capital Companies Law and which has not been developed in this report, we must indicate that it does not apply to the Group's Parent Company or its subsidiaries.

During the 2021 and 2020 financial years, people with disabilities greater than or equal to 33% have not been employed by the companies included in the consolidation.

e) Branches and representations

On 19 July 2021, Intermoney Gestión, S.G.I.I.C., S.A. signed a representation agreement with the financial agent EQCapital, S.L., in which it is granted powers of representation of the company for a minimum period of 3 years, the agreement being tacitly extendable for annual periods once the aforementioned period has expired.

On December 31, 2021 and 2020, the Group has no branches.

On December 31, 2020, the subsidiary Intermoney Valores, SV, SA had a representative in Spain, duly approved by the CNMV.

2. Basis of presentation of the financial statements

a) True image

These consolidated annual accounts, prepared by the Directors of the Parent Company, have been prepared on the basis of the accounting records of each of the consolidated companies using the overall integration method, having applied current mercantile legislation and the rules established in CNMV Circular 1/2021, of March 25, on accounting standards, annual accounts and financial statements of Investment Services Companies and their consolidable groups, Collective Investment Management Companies and Management Companies of Closed-Ended Entities, published in the Spanish Official Gazette of April 16, 2021, in order to show a true and fair view of the consolidated equity, consolidated financial position and consolidated results.

These consolidated annual accounts are presented in accordance with current mercantile legislation, as set forth in the Commercial Code as amended pursuant to Law 16/2007, of July 4, on the reform and adaptation of mercantile legislation in accounting matters for its international harmonization based on European Union regulations, Royal Decree 1514/2007, of November 20, approving the General Accounting Plan, and Royal Decree 1/2021, of January 12, in all matters not conflicting with the provisions of the aforementioned mercantile reform, in order to show a true and fair view of the Group's equity, financial position and results, as well as the veracity of the cash flows included in the consolidated cash flow statement.

The consolidated annual accounts for the year 2021 are pending for approval by the General Shareholders Meeting, and it is expected that they will be approved without modification.

No changes were made to significant accounting criteria that affect the periods 2021 and 2020.

Despite the fact that the estimates were performed on the basis of the best information available at the end of 2021 and 2020, events that might arise in the future may require these estimates to be amended upwards or downwards in coming years, which would be done prospectively pursuant to applicable legislation.

These consolidated financial statements are presented comparatively with the preceding year, which were approved by the shareholders at their Annual General Shareholders Meeting of CIMD, S.A. on April 30, 2021.
These consolidated annual accounts were prepared in euros, applying Spanish generally accepted accounting principles, as reflected in current legislation. All of the balances and transactions between the consolidated companies, as well as the advances on dividends distributed by the subsidiaries Companies and received by the Parent Company, were eliminated in the consolidation process.

b) Non-mandatory accounting principles

There are non-mandatory accounting principles that, having a significant effect on the annual accounts, were not applied during the periods 2021 and 2020.

c) Critical measurement issues and estimates of uncertainty

In the accompanying annual accounts, estimates have been used, where appropriate, in the measurement of certain assets, liabilities, revenues, expenses and commitments. These estimates have been made by the Senior Management of the Parent Company and Subsidiaries and ratified by the Directors. These estimates relate to:

- The useful life adopted for items of tangible assets and intangible assets (Notes 9 and 10).

- Estimated loss due to impairment of goodwill (Note 1 and 3.e).

- The assumptions applied in estimating the probability of recovery of deferred tax assets recorded by the Company (Note 16).

- The evaluation of possible losses due to impairment of certain assets (Note 3.b).

These estimates were made in accordance with the best information available for the years ended 31 December 2021 and 2020 about the items concerned and it is therefore possible that future events may make it necessary to modify them in some way in coming years. Any such modification will, in any event, be made prospectively, giving recognition to the effects of the change in estimate in the relevant consolidated profit and loss accounts.

As at 31 December 2021 and 2020, there are not uncertainties concerning potential risks that may arise out significant changes in the carrying value of assets and liabilities in coming year.

COVID-19

From December 2019 and during the financial years 2020 and 2021, a global pandemic generated by COVID-19 has occurred. At the date of preparation of these consolidated financial statements, this event continues to significantly affect economic activity globally and, as a result, could affect the Consolidated Group's operations and financial results. The extent to which COVID-19 could impact results will depend on the evolution of the actions being taken to contain the pandemic. Such developments cannot be reliably predicted. Group management estimates that the materiality will continue to decrease in 2022.

d) Comparability of information

The Directors of the Parent Company have included the figures for the previous year so that they may be compared with each item in the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of changes in equity and the consolidated cash flow statement for the year 2021.

On 25 March 2021, the CNMV published Circular 1/2021 on accounting standards, annual accounts and financial statements of Investment Services Companies and their consolidable groups, Collective Investment Management Companies and Management Companies of Closed-Ended Entities, which will come into force for financial years beginning on or after 1 January 2021. The main impacts of the entry into force of Circular 1/2021 relate to the partial adaptation of the content of IFRS 9 on financial instruments, modifying the classification of financial assets in different portfolios and the elimination and modification of certain statements to be filed with the CNMV.

e) Going concern principle of accounting

These consolidated annual accounts were prepared on a going concern basis at the Group and, accordingly, the purpose of applying the accounting standards was not to measure the value of the equity for the purpose of a transfer in full or in part or to make payment assumptions.

3. Accounting criteria

The most significant accounting principles and valuation rules applied when preparing the financial statements are those set out below:

a) Consolidation principles

The Group has been defined in accordance with the indications of the CNMV Circular 1/2021 dated 25 March. Dependent Companies are defined as the Investee Companies which operate in a single decision-making unit with the Controlling Company, which corresponds with them so that the Controlling Company has, either directly or indirectly through one or more other Investee Companies, powers of control. These powers of control take the form, in general, although not only, of having a holding, directly or indirectly through one or more Investee Companies, of 50% or more of the voting rights of the investee company. Control is defined as the power to manage the financial and operational policies of an investee company, for the purpose of making a profit from its activities. Such control may be exercised even though the aforementioned percentage holding is not held.

In the consolidation process, the global integration procedure has been applied for the annual accounts of the Subsidiaries. Consequently, all significant balances and transactions carried out between the consolidated entities have been eliminated in the consolidation process. Likewise, the participation of third parties in the Group's equity is presented under the heading "Minority interests" of the consolidated balance sheet and the part of the profit for the year attributable to them is presented under the heading "Profit attributable to minority interests" of the consolidated profit and loss account.

The results generated by the entities acquired by the Group in the year are consolidated taking into account only those relating to the period between the acquisition date and the end of the year. Likewise, the consolidation of the results generated by the entities disposed of by the Group in the year is carried out taking into account only those relating to the period between the beginning of the year and the date of sale.

As the accounting principles and standards and the valuation rules used when preparing the consolidated accounts of the Group for 2021 and 2020 may be different to those used by some of the Subsidiaries Companies included in the Group, in the consolidation process the necessary significant adjustments and reclassifications have been made in order to bring the accounting principles and standards and the valuation rules into line with one another.

A detail of the relevant information of subsidiaries companies as at 31 December 2021 and 2020, have been included in Note 1.a).

b) Financial assets

Financial assets are classified in the balance sheet as follows:

(i) Financial assets at fair value through profit or loss.
ii) Financial assets at amortised cost.
iii) Financial assets at fair value through equity.
(iv) Financial assets at cost.

(i) Financial assets at fair value through profit or loss

For equity instruments that are neither held for trading nor required to be measured at cost, an entity may make an irrevocable election at initial recognition to present subsequent changes in fair value directly in equity.

In any case, an entity may, on initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss that would otherwise be included in another category if doing so eliminates or significantly reduces a measurement inconsistency or accounting mismatch that would otherwise arise from measuring the assets or liabilities on different bases.

Initial valuation

Financial assets included in this category are initially measured at fair value, which, in the absence of evidence to the contrary, is the transaction price, which is the fair value of the consideration given. Transaction costs directly attributable to them are recognised in the income statement for the year.

Subsequent valuation

After initial recognition, the company shall measure financial assets in this category at fair value through profit or loss.

(ii) Financial assets at amortised cost

A financial asset is included in this category, even when it is admitted to trading on an organised market, if the company holds the investment for the purpose of receiving cash flows from the performance of the contract and the contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding.

Contractual cash flows that are solely collections of principal and interest on the principal amount outstanding are inherent in an arrangement that is in the nature of a regular or ordinary loan, notwithstanding that the transaction is arranged at a zero or below-market interest rate.

Thus, a bond with a fixed maturity date and for which a floating market interest rate is charged would be consistent with such an agreement and may be subject to a cap. By contrast, instruments convertible into equity instruments of the issuer; loans with inverse floating interest rates (i.e. a rate that has an inverse relationship to market interest rates); or those where the issuer can defer interest payments if such payment would affect its creditworthiness, without the deferred interest accruing additional interest, would not fulfil this condition.

The management of a group of financial assets to obtain their contractual cash flows does not imply that the enterprise must hold all instruments to maturity; financial assets may be considered to be managed for that purpose even if sales have occurred or are expected to occur in the future. For this purpose, the enterprise must consider the frequency, amount and timing of sales in prior periods, the reasons for those sales and expectations regarding future sales activity.

The company's management of these investments is a matter of fact and does not depend on its intentions for an individual instrument. An enterprise may have more than one policy for managing its financial instruments and it may be appropriate, in some circumstances, to separate a portfolio of financial assets into portfolios.

Generally, trade receivables and non-trade receivables are included in this category:

a) Trade receivables: financial assets arising from the sale of goods and the rendering of services in the ordinary course of business for which payment is deferred.

b) Non-trade receivables: financial assets which, not being equity instruments or derivatives, do not arise from trade transactions and whose collections are of a fixed or determinable amount and which arise from loans or credit operations granted by the company.

Initial Valuation

Financial assets classified in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration given, plus directly attributable transaction costs.

However, trade receivables maturing within one year that do not have an explicit contractual interest rate, as well as receivables from employees, dividends receivable and payments due on equity instruments that are expected to be received in the near term, may be measured at nominal value when the effect of not discounting cash flows is not material.

Subsequent valuation

Financial assets included in this category shall be measured at amortised cost. Accrued interest shall be taken to the profit and loss account using the effective interest method.

However, loans and receivables maturing in less than one year which, in accordance with the above paragraph, are initially measured at nominal value shall continue to be measured at nominal value, unless they are impaired.

When the contractual cash flows of a financial asset change because of the issuer's financial difficulties, the entity shall analyse whether an impairment loss should be recognised.

Impairment

At least at the end of each reporting period, an impairment loss shall be recognised whenever there is objective evidence that a financial asset, or a group of financial assets with similar risk characteristics measured collectively, is impaired as a result of one or more events that occurred after initial recognition and that result in a reduction or delay in the estimated future cash flows, which may be caused by the insolvency of the debtor.

The impairment loss on these financial assets is the difference between their carrying amount and the present value of estimated future cash flows, including, where applicable, those from the realization of collateral and personal guarantees, discounted at the effective interest rate calculated at the time of initial recognition. For floating rate financial assets, the effective interest rate applicable at the reporting date in accordance with the contractual terms and conditions shall be used. Models based on formulas or statistical methods may be used to calculate impairment losses for a group of financial assets.

Impairment losses, and reversals of impairment losses when the amount of the impairment decreases due to a subsequent event, are recognised as an expense or income, respectively, in the income statement. The reversal of impairment shall be limited to the carrying amount of the asset that would have been recognised at the date of reversal had no impairment loss been recognised.

(iii) Financial assets at fair value through equity

A financial asset is included in this category when the contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding, and it is not held for trading and is not classified as a financial asset at amortized cost. Investments in equity instruments for which the irrevocable option to classify as 'financial assets at fair value through profit or loss' has been exercised are also included in this category.

Initial valuation

The financial assets included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration given, plus any directly attributable transaction costs. The amount of any pre-emptive subscription rights and similar rights acquired shall form part of the initial valuation.

Subsequent valuation

Financial assets included in this category are measured at fair value, without deducting any transaction costs that might be incurred on disposal. Changes in fair value are recognised directly in equity until the financial asset is derecognised or impaired, at which time the amount so recognised is taken to the income statement.

However, impairment losses and gains and losses arising from exchange differences on monetary financial assets denominated in foreign currencies, in accordance with the foreign currency standard, shall be recorded in the profit and loss account.

Interest calculated using the effective interest rate method and accrued dividends shall also be recorded in the profit and loss account.

Where these assets are to be valued by derecognition or otherwise, the weighted average value method for homogeneous groups shall be applied.

In the exceptional case that the fair value of an equity instrument is no longer reliable, prior adjustments recognised directly in equity shall be treated in the same way as for impairment of financial assets at cost.

In the case of the sale of pre-emptive subscription rights and similar rights or the segregation of such rights for exercise, the amount of the rights shall decrease the carrying amount of the respective assets. This amount shall correspond to the fair value or cost of the rights, consistent with the valuation of the associated financial assets, and shall be determined by applying a generally accepted valuation formula.

Impairment

At least at the end of each reporting period, an impairment loss shall be recognised whenever there is objective evidence that a financial asset, or group of financial assets included in this category with similar risk characteristics measured collectively, is impaired as a result of one or more events that occurred after initial recognition and that give rise to an impairment loss:

(a) In the case of purchased debt instruments, a reduction or delay in the estimated future cash flows, which may be caused by the insolvency of the debtor; or

(b) In the case of investments in equity instruments, the lack of recoverability of the carrying amount of the asset, as evidenced, for example, by a prolonged or significant decline in its fair value. In any case, the instrument shall be presumed to be impaired if its market price has fallen by one and a half years or forty per cent without recovery of its value, notwithstanding that it may be necessary to recognise an impairment loss before that period has elapsed or the market price has fallen by that percentage

The impairment loss on these financial assets is the difference between their cost or amortized cost less any impairment loss previously recognised in the income statement and the fair value at the time of measurement.

Cumulative impairment losses recognised in equity for decreases in fair value, provided that there is objective evidence of impairment in the value of the asset, shall be recognised in the profit and loss account.

If the fair value increases in subsequent periods, the impairment loss recognised in prior periods shall be reversed with a credit to the profit and loss account of the period. However, if the fair value of an equity instrument increases, the fair value adjustment recognised in prior periods shall not be reversed with a credit to the profit and loss account and the increase in fair value shall be recognised directly in equity.

(iv) Financial assets at cost

In any case, they are included in this valuation category:

a) Investments in the equity of group, multi-group and associated companies.

b) other investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument, or cannot be reliably estimated, and derivatives that have these investments as their underlying.

(c) hybrid financial assets whose fair value cannot be reliably estimated, unless they qualify for recognition at amortised cost.

d) contributions made as a result of a joint account agreement and similar agreements.

e) Participating loans whose interest is contingent, either because a fixed or variable interest rate is agreed on the achievement of a milestone in the borrowing company (e.g. the achievement of profits), or because it is calculated solely by reference to the performance of the borrowing company's business.

f) any other financial asset that is initially classified in the fair value through profit or loss portfolio when it is not possible to obtain a reliable estimate of its fair value.

Initial valuation

Investments included in this category are initially measured at cost, which is the fair value of the consideration given plus directly attributable transaction costs, applying, where appropriate, in relation to group companies, the criteria included in section 2 of the standard on transactions between group companies and the criteria for determining the cost of the combination established in the standard on business combinations.

However, if an investment existed prior to its classification as a group company, jointly controlled entity or associate, the cost of that investment shall be taken to be the carrying amount that it should have had immediately before the company's classification as a group company, jointly controlled entity or associate.

The initial valuation shall include the amount of any preferential subscription rights and similar rights that may have been acquired.

Subsequent valuation

Equity instruments included in this category shall be measured at cost less any accumulated impairment losses.

Where these assets are to be valued by derecognition or otherwise, the weighted average cost method shall be applied for homogeneous groups, i.e. securities with equal rights.

In the case of the sale of pre-emptive subscription rights and similar rights or the segregation of such rights for exercise, the amount of the cost of the rights shall decrease the book value of the respective assets. Such cost shall be determined by applying a generally accepted valuation formula.

Contributions made as a result of a joint venture and similar agreements shall be valued at cost, increased or decreased by the profit or loss, respectively, accruing to the company as a non-managing venturer, less, where applicable, any accumulated impairment losses.

The same applies to participating loans where the interest is contingent either because a fixed or variable interest rate is agreed upon conditional upon the achievement of a milestone in the borrower's business (for example, the achievement of profits) or because it is calculated solely by reference to the performance of the borrower's business. If irrevocable fixed interest is agreed in addition to contingent interest, it is accounted for as finance income on an accrual basis. Transaction costs shall be taken to the profit and loss account on a straight-line basis over the life of the participating loan.

Impairment

At least at the end of each reporting period, an impairment loss shall be recognised whenever there is objective evidence that the carrying amount of an investment is not recoverable. The amount of the valuation adjustment shall be the difference between the carrying amount and the recoverable amount, which is the higher of fair value less costs to sell and the present value of future cash flows from the investment, which in the case of equity instruments shall be calculated either either by estimating those expected to be received as a result of the distribution of dividends by the investee and the disposal or derecognition of the investment in the investee, or by estimating its share of the cash flows expected to be generated by the investee from its ordinary activities and from the disposal or derecognition of the investment.

Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the impairment loss on this class of assets shall be calculated on the basis of the investee's equity and the unrealized gains existing at the measurement date, net of the tax effect. In determining this value, and provided that the investee has itself invested in another investee, the net assets included in the consolidated annual accounts prepared in accordance with the criteria of the Commercial Code and its implementing rules must be taken into account.

When the investee is domiciled outside Spanish territory, the net worth to be taken into consideration shall be expressed in accordance with the rules contained in this provision. However, if there are high inflation rates, the values to be considered shall be those resulting from the financial statements adjusted in the sense set out in the rule relating to foreign currency.

In general, the indirect method of estimation based on equity may be used in those cases in which it can be used to demonstrate a minimum recoverable amount without the need for a more complex analysis when it can be deduced that there is no impairment.

The recognition of impairment losses and, where applicable, their reversal, shall be recognised as an expense or income, respectively, in the income statement. The reversal of impairment shall be limited to the carrying amount of the investment that would have been recognised at the date of reversal had no impairment loss been recognised.

However, if an investment in the company had been made prior to its classification as a group company, jointly controlled entity or associate and, prior to that classification, valuation adjustments had been made directly to equity arising from that investment, those adjustments shall be retained after classification until the disposal or derecognition of the investment, at which time they shall be recognised in the profit and loss account, or until the following circumstances occur:

a) In the case of previous valuation adjustments due to increases in value, the impairment losses shall be recorded against the equity item that includes the valuation adjustments previously made up to the amount thereof, and the excess, if any, shall be recorded in the income statement. Impairment losses recognized directly in equity will not reverse.

b) In the case of previous valuation adjustments due to reductions in value, when the recoverable amount subsequently exceeds the book value of the investments, the latter will be increased, up to the limit of the aforementioned reduction in value, against the item that included the previous valuation adjustments and from that moment onwards the new amount arising will be considered as the cost of the investment. However, when there is objective evidence of impairment in the value of the investment, the accumulated losses recognized directly in equity will be recognized in the income statement.

c) Tangible assets

The tangible assets are registered at their acquisition costs. The provision for amortisation is calculated applying the straight-line method for "Furniture and fittings" and "Technical installations" and by reducing method and for "Data processing equipment" and "Telephone equipment" based upon the estimated useful life of these.

The amortisation rates applied in calculating the depreciation of the items included under fixed assets are as follows:

Technical installations	5%-20%
Data processing equipment	17%-33%
Telephone equipment	10%-25%
Furniture and fittings	10%-13%

Repairs and maintenance expenses that do not imply improvements or prolongment of the useful life are charged to the consolidated profit and loss account of the year in which they were incurred.

d) Intangible assets

Computer programs are recorded at their acquisition cost, amortising them on a straight-line basis over four years.

Licences for IT programs acquired from third parties are capitalised on the basis of the costs incurred to acquire them and prepare them for use in a specific application.

Intangible assets prepared employing the Group's own resources are valued at production cost, including, in particular, direct personnel costs for the project developed.

In accordance with the current accounting norm, the development costs are recorded as an asset if they comply with all of the following conditions:

- A specific and individualised project exists for each research and development activity;
- The assignation, charge and time distribution of each project's costs should be clearly established;
- Justified motives must always exist to expect the technical success of the R & D project;
- The economic-commercial profitability of the project should be reasonably assured;
- The financing of the various R & D projects should be reasonably assured to be able to complete these.

e) Consolidation goodwill

Goodwill (which is only recognised when it has been acquired for consideration) represents, therefore, a payment made by the company in anticipation of future economic benefits from assets of the acquired entity that are not capable of being individually identified and separately recognised.

Goodwill is initially measured as the algebraic sum of the consideration transferred (assets transferred less liabilities assumed) on the acquisition plus the amount of any non-controlling interest in the acquiree (minority shareholders) if appropriate, less the fair value at the acquisition date of the identifiable assets less the liabilities assumed.

Any excess of the cost of the business combinations, over the corresponding underlying carrying amounts acquired, adjusted at the date of first-time consolidation, is allocated as follows:

(i) If they are attributable to specific assets and liabilities of the acquirees, they are recognised by increasing or reducing the value of the assets or liabilities whose fair values were higher or lower, respectively, than the carrying amounts at which they had been recognised in the balance sheets and whose accounting treatment was similar to that of the same assets or liabilities of the Company.

(ii) If they are attributable to specific intangibles they are allocated through their explicit recognition on the balance sheet provided that fair value at the acquisition date may be reliably determined, irrespective of its not being recognised previously in the business unit acquired.

(iii) The remaining differences which are not attributable to specific intangibles are recognised as goodwill which is assigned to one or more specific cash generating units, expected to be the beneficiaries of the synergies deriving from the business combination.

Goodwill is stated at acquisition cost less its accumulated amortization, in accordance with Royal Decree 1/2021 of January 12. At each accounting close, the Company's Directors estimate whether there has been any indication of impairment in the goodwill that reduces its recoverable value to an amount lower than the net cost recorded and, if applicable, proceeds to appropriate recovery with a consideration in the profit and loss account. Impairment losses on goodwill cannot be subsequently reversed.

Goodwill is allocated to cash generating units (CGUs) for the purpose of impairment testing. The allocation is made to those CGUs that are expected to benefit from the business combination in which the goodwill arose.

As explained in Note 1, consolidation goodwill relates to IM Gestâo de Ativos, S.G.O.I.C., S.A.

<u>Goodwill impairment testing</u>

The Parent Company tests goodwill annually for potential impairment, comparing recoverable values with carrying amounts.

The amount recoverable from a CGU is determined on the basis of calculations of value in use. These calculations use cash-flow projections based on five year financial budgets approved by management. Cash flows for more than five years are extrapolated using the estimated growth rates indicated below. The growth rate does not exceed the average medium to long-term growth rate for the business operated by the CGU.

There is impairment when the carrying amount of the Cash Generating Unit (CGU) to which the goodwill is assigned exceeds its recoverable amount.

f) Financial liabilities

The standards for classifying financial liabilities on the balance sheet are as follows:

i) Financial liabilities at amortised cost

In general, this category includes both trade and non-trade payables:

a) Trade payables: financial liabilities arising from the purchase of goods and services in connection with business transactions for which payment is deferred,

b) Non-trade payables: financial liabilities which, not being derivative instruments, do not have a commercial origin, but arise from loans or credit operations received by the company.

Participating loans having the characteristics of an ordinary or common loan are also included in this category without prejudice to the fact that the transaction is agreed at a zero or below-market interest rate.

Initial valuation

Financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration received adjusted for directly attributable transaction costs.

However, trade payables falling due in less than one year and not bearing a contractual interest rate, as well as disbursements required by third parties on participations, the amount of which is expected to be paid in the short term, may be measured at their nominal value, when the effect of not discounting cash flows is not significant.

Subsequent evaluation

Financial liabilities included in this category shall be measured at amortised cost. Accrued interest shall be recognised in the profit and loss account using the effective interest method.

However, debts maturing in less than one year which, in accordance with the provisions of the previous paragraph, are initially valued at their nominal value, shall continue to be valued at that amount.

ii) Financial liabilities at fair value through profit or loss:

This category shall include financial liabilities that meet one of the following conditions:

a) These are liabilities that are held for trading. A financial liability is considered to be held for trading when:

- Issued or assumed primarily for the purpose of repurchase in the short term (e.g. bonds and other listed marketable securities issued that the company can buy back in the short term based on changes in value).

- A short seller's obligation to deliver financial assets that have been lent to it (i.e. a company selling financial assets that it had borrowed and does not yet own).

- Is part of a portfolio of jointly identified and managed financial instruments at the time of initial recognition for which there is evidence of recent actions to realise gains in the short term

- Is a derivative financial instrument, provided that it is not a financial guarantee contract and has not been designated as a hedging instrument.

b) From initial recognition, it has been designated by the entity to be carried at fair value through profit or loss. Such a designation, which is irrevocable, may be made only if it results in more relevant information because:

- An accounting inconsistency or "accounting mismatch" with other instruments at fair value through profit or loss is eliminated or significantly reduced;

- A group of financial liabilities or financial assets and liabilities is managed and its performance is evaluated on a fair value basis in accordance with a documented risk management or investment strategy and information on the group is also provided on a fair value basis to key management personnel.

c) Optionally and irrevocably, the hybrid financial liabilities regulated in section 5.1 may be included in their entirety in this category, provided that the requirements set out therein are met.

Initial and Subsequent valuation

Financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration received. Transaction costs that are directly attributable to them are recognised in the income statement for the year.

After initial recognition, the company shall measure financial liabilities in this category at fair value through profit or loss.

In the case of convertible bonds, the Company determines the fair value of the liability component by applying the interest rate for similar non-convertible bonds. This amount is accounted for as a liability on an amortised cost basis until settlement upon conversion or maturity. The remaining proceeds are allocated to the conversion option which is recognised in equity.

In the case of renegotiation of existing debts, no material modification of the financial liability is deemed to exist when the lender of the new loan is the same as the initial lender and the present value of the cash flows, including net fees, does not differ by more than 10% from the present value of the outstanding cash flows of the original liability calculated under the same method.

g) Current and deferred taxes

The Parent Company has been classified by the tax authorities as in a consolidated tax regime with the rest of the Companies in the Group of which it is the principal shareholder, with the exception of Intermoney Titulización, S.G.F.T., S.A., CIMD (Dubai), Ltd. and IM Gestâo de Ativos, S.G.O.I.C., S.A.

Corporate income tax is recognised as an expense in each year, calculated on the basis of the profits before taxes detailed in the annual accounts, corrected for tax criteria differences of a permanent nature and taking into account the applicable allowances and deductions. The deferred or advanced taxes that arise as a consequence of the temporal differences derived from the application of tax criteria in the recognition of income and expenses are reflected on the balance sheet until they are reversed.

The deferred taxes are calculated, based upon the liability method, on the temporal differences that arise between the tax bases and the assets and liabilities and their value in the accounts. However, if the deferred taxes arise from the initial recognition of an asset or a liability in a transaction different to a business combination that at the time of the transaction does not affect either the accounting results or the taxable base it will not be recognised. The deferred tax is determined applying the norms and the approved tax rates or on the point of being approved on the balance sheet date and that are expected to be applicable when the corresponding asset from deferred taxes is settled or the liability for deferred taxes is paid.

Assets from deferred taxes are recognised to the extent that it is probable that future tax earnings will arise against which to compensate the temporal differences.

Deferred taxes arising from the temporal differences that arise from investments in dependent, associated or joint venture companies, except in those cases in which the Group Holding Company can control the moment when the reversal of the temporal differences will occur and moreover it is probable that these will not revert in the foreseeable future.

h) Leases

Finance leases

Leases are presented on the basis of the economic substance of the transaction irrespective of its legal form and are classified at inception as finance or operating leases.

A lease is considered a finance lease when a substantial portion of the risks and rewards inherent in ownership of the leased asset is transferred.

When the company acts as lessor, the sum of the current values the payments it will receive from the lessee plus the guaranteed residual value, normally the price of exercising the purchase option at the end of the contract, will be recorded as third party financing and therefore included under the heading of “credit investments” on the balance sheet, in accordance with the nature of the lessee.

When the company acts as lessee, the cost of the leased asset is recorded on the balance sheet, depending on the type of asset involved, and a liability for the same amount is recorded, which is either the fair value of the leased asset or the sum of the current value of all amounts payable to the lessor plus the price of exercising the purchase option, whichever is lower. These assets are depreciated using similar criteria to those applied to property, plant and equipment for own use as a whole.

Financial income and expenses resulting from these contracts are credited and charged, respectively, to the profit and loss account in such a way that the return remains consistent over the term of the lease.

As at 31 December 2021 and 2020 the Parent Company held no leases of this kind.

Operating lease

The rental contracts which are not considered financial lease are classified as operating lease.

Whenever the company acts as a lessor, the cost of acquisition of the assets is recorded under leasing on the epigraph “Tangible assets”. Those assets will be depreciated according to policies adopted by the tangible asset for own use and the incomes originated by the leasing contracts will be recognised on the profit and loss account under linear basis.

Whenever the company act as a lessee, the expenses of the leasing, including incentives granted, will be registered under linear basis on the profit and loss account.

i) Recognition of income and expenses

Income is registered at the fair value of the considerations to be received and represents the amounts to be collected in the ordinary course of business of the Company, less returns, reductions, discounts and value added tax.

The Parent Company recognises income when the amount of this can be valued reliably, and it is probable that future economic benefits will flow to the Parent Company and the specific conditions for each one of the activities is met as is detailed below. It is believed that the amount of income cannot be reliably valued until all the contingencies related to the sale have been solved. The Company bases its estimates on historic results, bearing in mind the type of client, the type of transaction and the concrete terms of each agreement.

Income derived from contracts at a fixed price for the supply of advisory services, studies, analysis and divulgation in the monetary markets area are generally recognised in the period in which the services are rendered on a lineal base during the length of the contract.

If circumstances arise that modify the initial ordinary income estimates, costs or degrees of compliance, the estimates are revised. The revisions may cause increases or decreases in the estimated income and costs and will be reflected in the profit statement for the period in which the circumstances that motivated these revisions are known by management.

Incomes from dividends are recognised as income in the profit and loss account when the right to receive the collection is established. Notwithstanding this, if the dividends distributed arise from profits generated prior to the date of acquisition they are not recognised as income, reducing the carrying cost in books of the investment.

Non-financial income and expenses are registered in the accounts applying the accrual principle. Collections and payments deferred in time are registered in the accounts at the amount resulting from updating financially the cash flows foreseen at the market rate.

i.1) Commissions paid and income

Commissions paid or received for financial services, irrespective of how they are referred to contractually, are classified in the following categories which in turn determine the manner in which they are allocated in the profit and loss account:

- Financial commissions

  Are those that are an integral part of the yield or effective cost of a financial operation and are charged to the profit and loss account over the expected life of the operation as an adjustment to the effective cost or yield of this.

- Non-financial commissions

  Are those derived from the rendering of services and may arise in the execution of a service that is performed during a period of time and in the rendering of a service that is executed as a single act.

Income and expense in respect of fees and similar items are recorded in the income statement generally in accordance with the following:

- Those linked to financial assets and liabilities valued at fair value with changes in the profit and loss account and are recorded at time of collection.

- Those that relate to transactions or services which are carried out over a period of time are recorded in the period in which such transactions or services take place.

- Those that relate to a transaction or service which is carried out in a single act are recorded when the relevant act takes place.

i.2) Recognition of financial expenses and trading ordinary losses

The financial expenses are the interests and other costs incurred by an entity in relation to financing received.

Financial expenses are registered in the profit and loss account as expenses in the period in which they accrue. However, entities will capitalise financial expenses that were accrued before the assets were put into operational condition, that are directly attributable to the acquisition, construction or production of qualified assets, and are part of the carrying amount in books, when it is probable that they will generate future profits and can be valued with sufficient reliability.

Extraordinary trading losses that have to be assumed as a result of incidents in the negotiation derived from differences between the conditions in the orders received from the financial intermediates and those of the negotiation and liquidation of the operation performed, such as errors in the contracting process or in the terms of this, or other similar causes, when the result of the liquidation implies an economic prejudice imputable to the mediator of the operation, and not to those issuing the orders, and will be recognised in the consolidated profit and loss account at the time they occur or are known, independently of the time they are liquidated.

j) Personnel Expenses

Short-term retribution

Are the remunerations, the payment of which should be attended within the space of following twelve months from the close of the exercise in which the employees supplied their services.

They will be valued at the amount that has to be paid for the services received, registering then in the annual accounts as: a liability for the expense incurred, after deducting any amount already settled and as an expense for the period in which the employees had supplied their services.

Remuneration based on equity instruments

When an entity delivers equity instruments on its own capital to its employees, as the consideration for the services received, it should apply the following accounting treatment:

- If the delivery of equity instruments is done immediately without demanding from them a specific period of services to acquire the title on these, the entity will recognise, on the concession date, an expense for the full services received, crediting the amount to net equity.

- If the employees obtain the right to receive the equity instruments once a specific period of service has expired, the expense will be recognised for the services received and the corresponding increase in net equity, in the measure that these supply services during that said period.

Retirement benefit commitments

The collective agreement applicable to the employees of securities firms and the Madrid stock market establishes certain social welfare obligations. The Parent Company records these benefits as an expense in the fiscal year in which they are paid. Adhering to this criterion rather than an accrual criterion does not have a significant effect on the annual accounts as a whole.

At 31 December 2021 and 2020 the Parent Company had no significant obligations of this kind towards its employees.

Termination benefits

These are recognised as a liabilities and expenses only when the Parent has made a firm commitment to terminate the contract of an employee or group of employees before the retirement date or when the Parent Company pays termination benefits to employees after reaching agreements on the voluntary resignation of those employees.

k) Balances offsetting

The debtor and creditor balances originating in transactions that, contractually or because of a legal norm, contemplate the possibility of compensation and it is the intention to settle them by the net amount or to dispose of an asset or to pay a liability simultaneously, will be shown on the balance sheet at their net amount.

l) Measurement of foreign currency accounts

The exchange value in euros of the total assets and liabilities in foreign currencies held by the Group as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
US Dollar	7 899 823.35	5 708 631.84
Other foreign currencies	5 131.79	5 333.33
Sterling Pounds	(772.36)	(24 433.29)
	7 904 182.78	5 689 531.88

The detail of the balances of assets and liabilities in foreign currencies (mainly in US dollars) contributed by the Group companies at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Loans and receivables	10 586 556.59	9 979 661.30
Other assets	302 891.52	205 458.22
Cash in foreign currency (Note 5)	24 853.55	32 332.35
Fiscal Assets	47 611.23	25 408.91
Tangible assets	793 547.40	12 896.75
Trading portfolio	232 978.75	290 684.18
	11 988 439.04	10 546 441.71
Other liabilities	(4 792 958.40)	(4 459 712.95)
Financial liabilities at amortized cost	(253 596.33)	(253 909.50)
Exchange differences attributable to shareholders' consolidated equity (Note 14)	962 298.47	(143 287.38)
	(4 084 256.26)	(4 856 909.83)
	7 904 182.78	5 689 531.88

When initially recognised, debtor and creditor balances denominated in foreign currency are translated to the functional currency using the spot exchange rate at the date of recognition, understood as the exchange rate for immediate delivery. After initial recognition, the following rules are applied to translate balances denominated in foreign currency to the functional currency:

- Monetary assets and liabilities are translated at the yearend exchange rate, understood as the average spot exchange rate at the date to which the financial statements refer.

- Non-monetary items measured at cost are translated at the exchange rate on the date of acquisition.

- Non-monetary items measured at fair value are translated at the exchange rate ruling on the date on which fair value is determined.

- Incomes and expenses are translated by applying the exchange rate on the transaction date.

Nonetheless, the average exchange rate for the period is used for all transactions carried out in that period, unless there have been significant fluctuations. Depreciation/ amortisation are translated at the exchange rate applied to the relevant asset.

Exchange differences arising on translation of debtor and creditor balances denominated in foreign currency are generally recorded in the consolidated profit and loss account. Nonetheless, in the case of exchange differences that arise on non-monetary items measured at fair value, for which the fair value adjustment is recorded under Equity Measurement Adjustments, the component of the exchange rate relating to the revaluation of the non-monetary element is broken down.

m) Discontinued activities

A discontinued activity is a component of the company, the operations and cash flows of which are clearly distinguishable from the rest, which had been sold or it had been disposed of by other means or it had been classified as a non-current asset held for sale, and moreover, it complies with some of the following conditions:

- It represents a business line or geographic operations areas, which are important and independent.

- It is part of an individual and coordinated plan to sell or dispose by other means of a business line or a geographic operations area, which are important and independent.

- It is dependent entity acquired for the sole purpose of reselling it.

The after tax results that arise through the valuation at fair value less the costs of the sale, or through the disposal by other means, of a component of the entity that has been classified as interrupted activities are presented in the consolidated profit and loss account as a single amount, within a separate heading from the rest of the income and expenses originated by the uninterrupted activities.

n) Provisions and contingent liabilities

The current obligations of the company arising as a result of past events, will be considered as provisions, when these are clearly specified in terms of the nature on the date of the financial statements, but are indeterminate in terms of their amount or the moment of cancellation, on the maturity of these and to cancel them, the company expects to liberate resources that incorporate economic benefits. Such obligations may arise due to the following:

- A legal or contractual provision.

- An implicit or tacit obligation, the origin of which is located in a valid expectation created by the Group Holding Company towards third parties related to the assumption of certain types of responsibilities. These expectations are created when the Group Holding Company publically accepts responsibilities; these are derived from past behavior or from company policies in public domain.

- The practically sure evolution of the regulation in certain aspects, in particular, norm projects of which the Group Holding Company will not be able avoid.

Contingent liabilities are possible obligations resulting from past events, the existence of which is contingent upon the occurrence of one or more future events independent of the company's intentions. Contingent liabilities include the company’s current obligations, the settlement of which is unlikely to result in a decrease in resources including economic benefits or the amount of which, in extremely rare cases, may not be quantified with sufficient reliability.

Provisions and contingent liabilities are classified as probable when the likelihood of occurrence is greater than that of not occurrence, possible when the likelihood of occurrence is less than that of not occurrence, and remote when their occurrence is extremely rare.

The Parent Company includes in the consolidated annual accounts all the significant provisions where the probability that it will have to meet the obligation is greater than the contrary. Contingent liabilities are not recognised in the annual accounts but rather are reported unless the possibility of an outflow of funds including economic benefits is considered remote.

Provisions are quantified taking into account the best available information concerning the consequences of the event that originated them and are estimated at each accounting close. They are used to address the specific obligations for which they were recognised and may be reversed in full or in part when such obligations no longer exist or decrease.

o) Corporate Income Tax

Corporate income tax is considered an expense and is registered under the heading of corporate income tax on the profit and loss statement except when the tax arises as a consequence of a transaction carried directly to equity, in which case the tax is recorded directly in equity, or when the tax arises from a business combination in which case the deferred tax is recorded as just another equity item.

The expense recorded as corporate income tax is determined by the amount of tax payable on the taxable base for the year, after considering any variations arising during the year as a result of temporary difference and after deducting any tax credits, deductions, bonuses and tax loss carryforwards. The taxable base for the year may be different than the net profit (loss) for the year shown on the profit and loss statements since it excludes the taxable or deductible income and expenses from other fiscal years and the items which are never tax deductible.

4. Risks management

In accordance with current legislation - Royal Legislative Decree 4/2015, of October 23, approving the consolidated text of the Securities Market Law; Royal Decree 217/2008 of 15 February; and Circular 2/2014, of June 23, of CNMV- the Parent Company and its subsidiaries must have adequate policies and procedures for risk management.

In this regard, the Board of Directors of CIMD, S.A. has approved a Risk Management Policy (hereinafter, PGR) that applies to each and every one of the companies that make up the Group.

This policy lays down that risk management, understood as risk management, control and monitoring, is the responsibility of three bodies, each of which has independent functions: Board of Directors of CIMD, S.A.; the Subdidiaries' Boards of Directors and the Compliance and Risk Management Unit.

Risk management is based on the following:

1. appropriate planning of equity;

2. identifying, assessing and measuring risks;

3. establishing risk tolerance limits;

4. establishing a system of risk control and follow-up; and

5. analyze the result on the balance between equity and risks before stress situations.

Following CNMV Circular 2/2014 of June 23 and Regulation (EU) 2019/2033, in reference to the level of exposure and the quality of each type of risk, the following have been determined as relevant risks for the consolidable group: risk to customers (RtC); risk to the market (RtM); risk to the firm (RtF); and liquidity risk.

For the determination of the requirements, the criteria set out in Regulation (EU) 2019/2033 are followed, being equivalent to the higher of: (i) minimum ongoing capital to carry on the business; (ii) one quarter of the structural costs; and (iii) the requirements associated with the K-risk determinants criteria RtC, RtM and RtF.

The criteria set out in Regulation (EU) 2019/2033 are used to assess the exposure to each of the risks referred to in (iii) above and to quantify the requirements.

The tolerance level relates to the limits established by the competent bodies for each risk at individual level or for all risks as a whole.

(Expressed in Euros)

On the basis of the nature and characteristics of each risk and the activity affected, the respective limits are determined in either absolute terms or as percentages. Where appropriate, the weightings to which such limits are subject are determined.

The following table shows an analysis of the Parent Company and Subsidiaries financial liabilities as at 31 December 2021 and 2020, which are settled by the net amount grouped by maturity in line with the pending time on the date of the balance sheet until the due date stipulated in the contract. The amounts that are shown in the table correspond to the cash flows in the contract without discounting. The balances payable within 12 months are equivalent to the carrying cost in books of these, since the effect of discounting is not significant.

	Euros			
	Less than 1 year	Between 1 and 2 year s	Between 2 and 5 year s	More than 5 year
As at 31 December 2021:				
Creditors, invoices pending receipt (Note 12)	107 175 636.73	-	-	-
Guarantees received (Note 11)	49 325 011.75	-	-	-
Remuneration pending payment (Note 12)	9 660 956.38	-	-	-
Customer debts (Note 11)	7 946 332.66	-	-	-
Public Administration creditor (Note 12)	8 952 391.65	-	-	-
Temporary asset transfers (Note 11)	6 413 727.97	-	-	-
Sundry creditors (Note 12)	1 017 942.86	-	-	-
Loans with credit institutions (Note 11)	677 107.75	-	-	-
Social Security (Note 12)	480 227.55	-	-	-
Deposits received (Note 11)	280 287.78	-	-	-
Current tax liabilities (Note 16)	186.387.61	-	-	-
Deferred income (Note 12)	149 771.74	-	-	-
Other financial intermediaries (Note 11)	29 200.65	-	-	-
Transactions pending settlement (Note 11)	-	-	-	1 227 124.15

	Euros			
	Less than 1 year	Between 1 and 2 year s	Between 2 and 5 year s	More than 5 year
As at 31 December 2020:				
Creditors, invoices pending receipt (Note 12)	20 544 488.93	-	-	-
Guarantees received (Note 11)	18 091 673.52	-	-	-
Remuneration pending payment (Note 12)	9 162 485.22	-	-	-
Customer debts (Note 11)	3 025 358.17	-	-	-
Public Administration creditor (Note 12)	2 913 885.85	-	-	-
Temporary asset transfers (Note 11)	2 370 761.03	-	-	-
Sundry creditors (Note 12)	2 020 370.32	-	-	-
Loans with credit institutions (Note 11)	2 007 052.75	-	-	-
Social Security (Note 12)	485 026.59	-	-	-
Deposits received (Note 11)	254 645.85	-	-	-
Current tax liabilities (Note 16)	212 255.24	-	-	-
Deferred income (Note 12)	205 092.12	-	-	-
Other financial intermediaries (Note 11)	26 951.89	-	-	-
Transactions pending settlement (Note 11)	22 912.72	-	-	-
Provisions (Note 13)	-	-	-	1 639 415.14

(Expressed in Euros)

b) Estimation of fair value

The fair values of the financial instruments that are commercialised on active markets (such as the securities maintained to negotiate and those available for sale) are based upon market prices at the balance sheet date. The quoted market price used for the financial assets is the current buyer price.

It is assumed that the carrying cost in the accounts of the credits and debits from commercial operations approximates to their fair value.

5. Treasury

The “Treasury” heading includes as at 31 December 2021 and 2020, the following:

	Euros	
	2021	**2020**
Central Banks, Bank of Spain	1 148 097.57	2 780 139.16
Cash in foreign currency (Note 3.l)	24 853.55	32 332.35
Cash in euros	13 571.31	2 881.70
	1 186 522.43	2 815 353.21

The components of this heading are freely available, with no restrictions on their use.

On cash flow statements effects, the heading “Cash or cash equivalents” at the end of the year as at 31 December 2021 and 2020 includes:

	Euros	
	2021	**2020**
Banks, euro current accounts (Note 7)	139 971 442.80	55 498 979.43
Banks, foreign current accounts (Note 7)	9 557 077.32	5 790 445.56
Treasury	1 186 522.43	2 815 353.21
Fixed-term deposits in euros (Note 7)	92 084.67	84 988.19
	150 807 127.22	64 189 766.39

(Expressed in Euros)

6. Trading portfolio and Other financial assets at fair value through profit or loss

Trading portfolio

The amounts included under the heading "Trading portfolio" as at 31 December 2021 and 2020 are as follows:

	Euros	
	2021	**2020**
Debt securities	1 234 370.72	4 511 131.79
Financial assets held for trading – Fixed income	1 229 066.63	4 515 190.43
Accrual interests on debt securities	5 304.09	(4 058.64)
Equity instruments	12 060 081.56	10 318 451.85
Investment Funds managed by the Group	11 135 401.20	10 218 709.16
Other investment funds	924 680.36	99 742.69
Trading derivates		
Financial derivatives	299 316.77	83 109.20
	13 593 769.05	14 912 692.84

The breakdown of the heading "Debt securities" as at 31 December 2021 and 2020 is as follows:

					Euros
	Face value	**Maturity date**	**Cost value**	**Market value**	**Gains / (Losses)**
As at 31 December 2021					
Foreign Government Bonds	719 304.00		719 304.00	719 304.00	-
Government Bonds	500 000.00	30/04/2022	509 762.63	522 517.75	5 304.09
			1 229 066.63	1 234 370.72	5 304.09
As at 31 December 2020					
Treasury bill	2 271 000.00	04/01/2021	2 400 000.00	2 399 789.30	(210.70)
Government Bonds	2 000 000.00	30/04/2021	2 115 190.43	2 111 342.49	(3 847.94)
			4 515 190.43	4 511 131.79	(4 058.64)

The movements in "Debt securities" during the years ended as at 31 December 2021 and 2020 are as follows:

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

			Decrease			Euros
	31.12.20	Increase	Cost	Gains / (Losses)	Gains / (Losses) (Note 21)	31.12.21
Financial assets held for trading – Fixed income						
Treasury bill	2 399 789.30	-	(2 399 466.48)	-	(322.82)	-
Foreign Government Bonds	-	719 304.00	-	-	-	719 304.00
Government Bonds	2 111 342.49	-	(1 579 708.64)	-	(6 656.79)	515 066.72
	4 511 131.79	719 304.00	(3 989 274.76)	-	(6 979.61)	1 234 370.32

			Decrease			Euros
	31.12.19	Increase	Cost	Gains / (Losses)	Gains / (Losses) (Note 21)	31.12.20
Financial assets held for trading – Fixed income						
Treasury bill	5.062.841.40	2 400 000.00	(5 062 841.40)	-	(210.70)	2 399 789.30
Government Bonds	2.225.113.06	-	(109 922.63)	-	(3 847.94)	2 111 342.49
European Investment Bank Bonds	-	7 823 612.01	(7 823 612.01)	-	-	-
	7 287 954.46	10 223 612.01	(12 996 376.04)	-	(3 637.24)	4 511 131.79

The gains and losses on fixed income trading instruments are recognised in “Purchases- sales of fixed income – Marketable instruments” of the heading “Gains and losses on financial assets and liabilities (net) – Held for trading” in the consolidated profit and loss account (Note 21).

The breakdown of the “Equity instruments” (Investment Funds) as at 31 December 2021 and 2020 is as follows:

(Expressed in Euros)

	Euros	
	2021	2020
IMDI FUNDS, FI / Azul	1 658 570.72	1 611 713.92
Intermoney Renta Fija Ahorro, FI	1 664 816.64	1 582 073.64
IMDI FUNDS, FI / Verde	1 521 479.36	1 399 715.18
Intermoney Variable Euro, FI	1 492 382.36	1 277 339.05
IMGA Iberia Equities ESG, FIAA	1 057 420.00	964 340.00
IMDI FUNDS, FI / Ocre	1 026 282.79	900 034.28
IMDI FUNDS, FI / Rojo	970 447.83	809 229.97
IMGA Iberia Fixed Income ESG, FIMA	781 485.00	793 635.00
Avance Multiactivos, FI	374 276.88	336 755.13
Intermoney Gestión Flexible, FI	335 433.19	310 256.23
IMGA Money Market, F.I.M.A.	250 828.18	231 664.98
Intermoney Attitude, FI	1 978.25	1 951.78
Rural Mixto Internacional 25, FI *	104 800.78	99 742.69
Trea Cajamar Corto Plazo, FI*	819 879.58	-
	12 060 081.56	10 318 451.85

* Investment Funds not managed by the Group.

The detail of Investment Funds as at 31 December 2021 and 2020 is as follows:

				Euros
	Number of securities	Cost value	Market Value	Gains / (Losses)
9. As at 31 December 2021				
IMDI FUNDS, FI / Azul	159 257.22	1 575 000.00	1 658 570.72	83 570.72
Intermoney Renta Fija Ahorro, FI	12 813.28	1 502 050.01	1 664 816.64	162 766.63
IMDI FUNDS, FI / Verde	129 044.74	1 275 000.00	1 521 479.36	246 479.36
Intermoney Variable Euro, FI	9 355.08	1 232 806.20	1 492 382.36	259 576.16
IMGA Iberia Equities ESG, FIAA	200 000.00	1 000 000.00	1 057 420.00	57 420.00
IMDI FUNDS, FI / Ocre	78 798.94	775 000.00	1 026 282.79	251 282.79
IMDI FUNDS, FI / Rojo	67 684.22	675 000.00	970 447.83	295 447.83
IMGA Iberia Fixed Income ESG, FIMA	150 000.00	749 477.50	781 485.00	32 007.50
Avance Multiactivos, FI	30 000.00	300 000.00	374 276.88	74 276.88
Intermoney Gestión Flexible, FI	29 507.97	317 000.00	335 433.19	18 433.19
IMGA Money Market, FIMA	57 000.00	241 202.46	250 828.18	9 625.72
Intermoney Attitude, FI	192.65	1 926.50	1 978.25	51.75
Rural Mixto Internacional 25, FI	112.00	100 696.67	104 800.78	4 104.11
Trea Cajamar Corto Plazo, FI	664.87	820 000.00	819 879.58	(120.42)
		10 565 159.34	12 060 081.56	1 494 922.22

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

				Euros
	Number of securities	Cost value	Market Value	Gains / (Losses)
As at 31 December 2020				
IMDI FUNDS, FI / Azul	159 257.22	1 575 000.00	1 611 713.92	36 713.92
Intermoney Renta Fija Ahorro, FI	12 049.70	1 402 050.01	1 582 073.64	180 023.63
IMDI FUNDS, FI / Verde	129 044.74	1 275 000.00	1 399 715.18	124 715.18
Intermoney Variable Euro, FI	9 355.08	1 232 806.20	1 277 339.05	44 532.85
IMGA Iberia Equities ESG, FIAA	200 000.00	1 000 000.00	964 340.00	(35 660.00)
IMDI FUNDS, FI / Ocre	78 798.94	775 000.00	900 034.28	125 034.28
IMDI FUNDS, FI / Rojo	67 684.22	675 000.00	809 229.97	134 229.97
IMGA Iberia Fixed Income ESG, FIMA	150 000.00	749 477.50	793 635.00	44 157.50
Avance Multiactivos, FI	30 000.00	300 000.00	336 755.13	36 755.13
Intermoney Gestión Flexible, FI	29 507.97	317 000.00	310 256.23	(6 743.77)
IMGA Money Market, FIMA	57 000.00	241 202.46	231 664.98	(9 537.48)
Rural Mixto Internacional 25, FI	112.00	100 696.67	99 742.69	(953.98)
Intermoney Attitude, FI	192.65	1 926.50	1 951.78	25.28
				-
		9 645 159.34	10 318 451.85	673 292.51

The amounts and movements in Investment Funds during the years ended as at 31 December 2021 and 2020 are as follows:

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

			Decreases			Euros
	Balance at 31.12.20	**Increase**	**Cost**	**Gains / (Losses)**	**Gains / (Losses) (Note 21)**	**Balance at 31.12.21**
Investment Funds:						
IMDI FUNDS FI / Azul	1 611 713.92	-	-	-	46 856.80	1 658 570.72
Intermoney Renta Fija Ahorro, FI	1 582 073.64	100 000.00	-	-	(17 257.00)	1 664 816.64
Intermoney Variable Euro, F.I.	1 399 715.18	-	-	-	121 764.18	1 521 479.36
IMDI FUNDS FI / Verde.	1 277 339.05	-	-	-	215 043.31	1 492 382.36
IMGA Iberia Equities ESG, FIAA	964 340.00	-	-	-	93 080.00	1 057 420.00
IMGA Iberia Fixed Income ESG, FIMA	900 034.28	-	-	-	126 248.51	1 026 282.79
IMDI FUNDS FI / Ocre,	809 229.97	-	-	-	161 217.86	970 447.83
IMDI FUNDS FI/ Rojo,	793 635.00	-	-	-	(12 150.00)	781 485.00
Avance Multiactivos F.I.	336 755.13	-	-	-	37 521.75	374 276.88
Intermoney Gestión Flexible, F.I.	310 256.23	-	-	-	25 176.96	335 433.19
Rural Mixto Internacional 25, F.I.	231 664.98	-	-	-	19 163.20	250 828.18
Intermoney Attitude, F.I.	99 742.69	-	-	-	5 058.09	104 800.78
IMGA Money Market, F.I.M.A.	1 951.78	-	-	-	26.47	1 978.25
Trea Cajamar Corto Plazo, F.I.	-	820 000.00	-	-	(120.42)	819 879.58
	10 318 451.85	920 000.00	-	-	821 629.71	12 060 081.56

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

						Euros
			Decreases			
	Balance at 31.12.19	Increase	Cost	Gains / (Losses)	Gains / (Losses) (Note 21)	Balance at 31.12.20
Investment Funds:						
IMDI FUNDS, FI / Azul	1 599 948.32	-	-	-	11 765.60	1 611 713.92
Intermoney Renta Fija Ahorro, FI	1 594 440.52	-	-	-	(12 366.88)	1 582 073.64
IMDI FUNDS, FI / Verde	1 368 938.01	-	-	-	30 777.17	1 399 715.18
Intermoney Variable Euro, FI	1 388 942.95	-	-	-	(111 603.90)	1 277 339.05
IMGA Iberia Equities ESG, FIAA	1 107 040.00	-	-	-	(142 700.00)	964 340.00
IMDI FUNDS, FI / Ocre	869 412.70	-	-	-	30 621.58	900 034.28
IMDI FUNDS, FI / Rojo	775 304.88	-	-	-	33 925.09	809 229.97
IMGA Iberia Fixed Income ESG, FIMA	1 062 800.00	-	(241 253.01)	(8 572.82)	(19 339.17)	793 635.00
Avance Multiactivos, FI	317 088.36	-	-	-	19 666.77	336 755.13
Intermoney Gestión Flexible, FI	311 965.00	-	-	-	(1 708.77)	310 256.23
IMGA Money Market, F.I.M.A.	-	241 202.46	-	-	(9 537.48)	231 664.98
Rural Mixto Internacional 25, FI	101 752.04	-	-	-	(2 009.35)	99 742.69
Intermoney Attitude, FI	1 946.52	-	-	-	5.26	1 951.78
	10 499 579.30	241 202.46	(241 253.01)	(8 572.82)	(172 504.08)	10 318 451.85

The profit or loss on unrealised losses or gains on financial investments as at 31 December 2021 and 2020 is reflected under the heading “Gains and losses on financial assets and liabilities (net) - Held for trading” in the consolidated profit and loss account (Note 21).

During the years 2021 and 2020 the Group carried out purchase transactions on its own account on the fixed-income market. The movement in said transactions in the years 2021 and 2020 is as follows:

				Euros
	31.12.2020	Increases	Decreases	31.12.2021
Transactions on its own account on the fixed-income market	-	2 923 933 782.98	2 923 933 782.98	-
	-	2 923 933 782.98	2 923 933 782.98	-

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

				Euros
	31.12.2019	**Increases**	**Decreases**	**31.12.2020**
Transactions on its own account on the fixed-income market	-	3 485 554 519.30	3 485 554 519.30	-
	-	3 485 554 519.30	3 485 554 519.30	-

Said fixed income purchase and sale transaction has reported a profit during the years 2021 and 2020 for a net amount of 2,818,389.92 euros and an amount of 3,157,582.00 euros, respectively. Said net profit is recorded under the heading of the consolidated profit and loss account " Gains and losses on financial assets and liabilities (net) - Held for trading" (Note 21).

Other financial assets at fair value through profit or loss and Available-for-sale financial assets

The detail of the heading "Other financial assets at fair value through profit or loss" as of December 31, 2021 and of the heading "Available-for-sale financial assets" as of December 31, 2020 is as follows:

		Euros
	2021	**2020**
Lynx Renovables Iberia, FCR	926 271.50	420 000.00
Tresa Energía, S.L.	490 349.00	249 500.00
Petrofactor, S.L.	74 250.00	-
Allstructurednotes ASN, S.A.	49 998.00	-
Banco de Crédito Social Cooperativo, S.A.	2 440.00	-
Sociedad Gestora del Fondo General de Garantía de Inversiones, S.A.	2 200.00	2 000.00
	1 545 508.50	671 500.00

The movement in the shareholdings in Lynx Renovables Iberia, FCR, for the financial years 2021 and 2020 is as follows:

						Euros
			Declines			
	Balance at 31.12.20	**Additions**	**Cost**	**Capital gains / (capital losses)**	**Capital gains / (capital losses) (Nota 21)**	**Balance at 31.12.21**
Lynx Renovables Iberia, FCR	420 000.00	350 000.00	-	-	156 271.50	926 271.50
	420 000.00	350 000.00	-	-	156 271.50	926 271.50

In 2021, in line with the Group's strategy for these equity instruments, management has reclassified available-for-sale financial assets to the portfolio of financial assets at fair value through profit or loss.

(Expressed in Euros)

The fair value of the items included under the heading "Other financial assets at fair value through profit or loss - Other equity instruments" has been calculated taking as a reference the most updated available price at the reference date of the equity instruments in which CIMD, S.A. has holdings at 31 December 2021.

The valuation of available-for-sale financial assets at fair value involves the recognition in equity of the positive and/or negative differences arising with respect to the acquisition cost.

The heading "Other financial assets at fair value through profit or loss - Other equity instruments" at 31 December 2021 and "Available-for-sale financial assets" at 31 December 2020 include interests held by several Group companies in Sociedad Gestora del Fondo General de Garantía de Inversiones, S.A. in compliance with the terms of Royal Decree 948/2001, to which these companies are subject. Details at 31 December 2021 and 2020 are as follows:

Subsidiary company	Number of registered shares	Shareholding Percentage	Euros
As at 31 December 2021			
CIMD, S.V., S.A.	5	0.43%	1 000.00
Intermoney Valores, S.V.,S.A.	6	0.51%	1 200.00
			2 200.00
As at 31 December 2020			
CIMD, S.V., S.A.	5	0.43%	1 000.00
Intermoney Valores, S.V.,S.A.	5	0.43%	1 000.00
			2 000.00

7. Loans and advance to financial intermediaries

The amounts included under the heading "Loans and advances to financial intermediaries" as at 31 December 2021 and 2020 are as follows:

	Euros	
	2021	**2020**
Banks, current accounts in euros (Note 5)	139 971 442.80	55 498 979.43
Guaranties and deposits constituted	18 592 566.64	7 660 926.05
Banks, current accounts in foreign currency (Note 5)	9 557 077.32	5 790 445.56
Financial customers	3 392 476.57	4 825 529.66
Other pending settlement transactions	209 126.52	725 782.80
Fixed-term deposits (Note 5)	92 084.67	84 988.19
	171 814 774.52	74 586 651.69

The heading "Banks, current accounts in euros" mainly includes as of December 31, 2021 and 2020, freely available balances at various credit institutions for the amount of 138,953,499.94 euros and 55,498,979.43 euros, respectively (Note 5).

During fiscal years 2021 and 2020, these current accounts were remunerated at an average interest rate of between -0.70% and 0.00%.

(Expressed in Euros)

As at 31 December 2021 and 2020, the balance of "Guaranties and deposits constituted" relates to guarantees and deposits given based on the following detail:

	Euros	
	2021	**2020**
Guarantees MEFF Energy	9 370 000.00	5 103 000.00
Other guarantees Energy	4 714 916.47	5 520.87
Guarantees Euronext	2 226 503.00	-
Guarantees BME Derivatives and Equities	1 494 911.98	1 667 325.69
Other guarantees	786 235.19	885 079.49
	18 592 566.64	7 660 926.05

The heading "Banks, current accounts in foreign currency" includes as of December 31, 2021 and 2020, balances in freely available banking entities for an amount of 9,557,077.32 euros and for an amount of 5,790,445.56 euros, respectively (Note 5).

During the 2021 financial year, these current accounts have been remunerated at an interest rate of -0.50% and 0.00% (2020: between -0.50% and 0.00%).

Interest accrued in 2021 and 2020, derived from current accounts, amounted to 117,606.16 euros and 69,622.79 euros, respectively. Said interests are recorded under the heading "Interest and similar income" in the consolidated income statement (Note 18).

The heading "Financial clients" includes the balances pending collection resulting from the Group's current operations with financial intermediaries, mainly for the intermediation and management of financial instruments.

As of December 31, 2021 and 2020, the heading "Other pending settlement transactions" mainly includes the variable income transactions pending settlement of Intermoney Valores, S.V., S.A. with Caceis at the end of the fiscal year that have been liquidated in the first months of 2022 and 2021, respectively.

The detail of the heading "Fixed-term deposits" as of December 31, 2021 and 2020 is as follows:

				Euros
	Financial Institution	**Placement date**	**Maturity date**	**Fixed-term deposits**
As of December 31, 2021				
Fixed-term deposit	Emirates NDB Bank	14/11/2021	14/11/2022	69 708.73
Fixed-term deposit	Emirates NDB Bank	29/01/2021	29/01/2022	22 313.00
				92 021.73

(Expressed in Euros)

	Financial Institution	Placement date	Maturity date	Euros Fixed-term deposits
As of December 31, 2020				
Fixed-term deposit	Emirates NDB Bank	14/11/2020	14/11/2021	66 662.80
Fixed-term deposit	Emirates NDB Bank	29/01/2020	29/01/2021	18 267.74
				84 930.54

The interest rate of these operations as of December 31, 2021 and 2020 varies between 0% and 0.45%.

The interests accrued in the years 2021 and 2020 derived from the fixed-term deposits have amounted to an amount of 616.07 euros and 13,926.14 euros, respectively, being recorded under the heading "Interest and similar income" in the loss account and consolidated earnings (Note 18). As of December 31, 2021 and 2020, such interest is pending collection, as well as interest accrued in previous years, with interest pending payment amounting to an amount of 62.47 euros and an amount of 57.65 euros, respectively.

8. Loans and advances to customers and Other assets

The breakdown of the heading “Loans and advances to customers” as at 31 December 2021 and 2020, is as follows:

	Euros 2021	2020
Customers	26 946 798.55	6 685 719.64
Sundry debtors	22 608 217.22	931 111.04
Short Term Loans	353 715.75	-
Deposits constituted	149 696.94	243 773.49
Bail bonds for offices of the Group	131 642.96	131 642.96
Other bail bonds constituted	35 411.10	26 193.79
Advances sundry creditors	748.24	2 674.33
	50 226 230.76	8 021 115.25

The breakdown of the heading “Customers” as at 31 December 2021 and 2020 is as follows:

	Euros 2021	2020
Customers transactions	26 426 532.97	6 541 204.89
Doubtful receivables	1 660 737.32	932 909.15
Debt customer’s impairment	(1 140 471.74)	(788 394.40)
	26 946 798.55	6 685 719.64

(Expressed in Euros)

The heading "Customers transactions" includes the pending payment balances of the current activities of the Group.

The heading "Doubtful receivables" record doubtful customer balances. The variation in the provision for bad debts in 2021 and 2020 is reflected in "Impairment losses (net) - Loans and receivables" in the accompanying consolidated profit and loss account.

The movement of "Debt customer's impairment" as at 31 December 2021 and 2020 is as follows:

	Euros				
	31.12.20	**Increase**	**Decrease**	**(+/-) Others**	**31.12.21**
Debt customers impairment	(788 394.40)	(511 516.56)	166 920.70	(7 481.48)	(1 140 471.74)
	(788 394.40)	(511 516.56)	166 920.70	(7 481.48)	(1 140 471.74)

	Euros				
	31.12.19	**Increase**	**Decrease**	**(+/-) Others**	**31.12.20**
Debt customers impairment	(655 877.40)	(381 867.91)	72 742.16	176 608.75	(788 394.40)
	(655 877.40)	(381 867.91)	72 742.16	176 608.75	(788 394.40)

At 31 December 2021 and 2020, "Sundry debtors" includes settlements of swaps to hedge energy representation operations amounting to 19,904,812.93 euros and 720,067.82 euros, as well as the amount receivable from individuals for the operations of Group companies amounting to 481,191.27 euros and 211,043.22 euros, respectively.

At 31 December 2021 this heading also includes items receivable from third parties amounting to 2,159,535.96 euros, including accrued interest of 62,677.06 euros (Note 18), which are fully receivable.

At 31 December 2021, "Short-term loans" includes loans granted by Intermoney Titulización, S.G.F.T., S.A. to its employees for the purchase of shares amounting to 350,000.00 euros with a term of 5 years. The payment of the principal and interest generated by the operation will be made in a single payment on maturity of the loan. The interest accrued during the financial year 2021 amounted to 3,715.75 euros and has not yet been collected in full.

(Expressed in Euros)

The breakdown of the heading "Other assets" as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Prepaid expenses	2 364 602.57	2 299 398.44
Public administration debtor (V.A.T.)	123 246.00	1 646 405.62
Sundry creditor advances	7 113.72	129 101.99
Short-term loans to staff	15 025.13	34 475.41
Sundry debtors	2 133.31	27 474.28
	2 512 120.73	4 136 855.74

9. Tangible assets

The breakdown of the heading "Tangible assets" as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Technical installations	599 517.27	758 991.32
Furniture and fittings	149 423.44	195 565.62
Data processing equipment	169 248.50	165 036.47
Telephone equipment	42 995.95	43 229.17
	961 185.16	1 162 822.58

The changes in "Tangible assets" and its amortization in the consolidated balance sheets during the years 2021 and 2020 were as follows:

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

					Euros
	31.12.20	**Increase**	**Decrease**	**Others**	**31.12.21**
Cost					
Technical installations	1 806 600.09	14 623.00	-	-	1 821 223.09
Data processing equipment	3 226 807.21	108 668.91	-	-	3 335 476.12
Telephone equipment	2 529 211.32	4 428.86	-	-	2 533 640.18
Furniture and fittings	929 101.35	7 340.57	-	-	936 441.92
	8 491 719.97	135 061.34	-	-	8 626 781.31
Accumulated depreciation					
Technical installations	(1 047 608.77)	(174 097.05)	-	-	(1 221 705.82)
Data processing equipment	(3 061 770.74)	(104 456.88)			(3 166 227.62)
Telephone equipment	(2 485 982.15)	(4 662.08)	-	-	(2 490 644.23)
Furniture and fittings	(733 535.73)	(53 482.75)	-	-	(787 018.48)
	(7 328 897.39)	(336 698.76)	-	-	(7 665 596.15)
Net tangible assets	1 162 822.58	(201 637.42)	-	-	961 185.16

					Euros
	31.12.19	**Increase**	**Decrease**	**Others**	**31.12.20**
Cost					
Technical installations	1 806 600.09	-	-	-	1 806 600.09
Data processing equipment	3 107 335.92	120 441.26	-	(969.97)	3 226 807.21
Telephone equipment	2 526 502.64	3 109.97	-	(401.29)	2 529 211.32
Furniture and fittings	925 760.07	3 341.28	-	-	929 101.35
Tangible assets in progress	89 333.46	-	-	(89 333.46)	-
	8 455 532.18	126 892.51	-	(90 704.72)	8 491 719.97
Accumulated depreciation					
Technical installations	(857 991.24)	(189 617.53)	-	-	(1 047 608.77)
Data processing equipment	(2 981 354.66)	(80 436.26)	-	20.18	(3 061 770.74)
Telephone equipment	(2 469 575.23)	(16 406.92)	-	-	(2 485 982.15)
Furniture and fittings	(689 439.74)	(44 927.69)	-	831.70	(733 535.73)
	(6 998 360.87)	(331 388.40)	-	851.88	(7 328 897.39)
Net tangible assets	1 457 171.31	(204 495.89)	-	(89 852.84)	1 162 822.58

As of December 31, 2021 and 2020, the Group has in Spain the following minimum lease payments, in accordance with the current contract in force, without taking into account future increases in the CPI (Consumer Price Index) or future updates of contractually agreed revenues:

		Euros
	2021	**2020**
In one year	786 283.74	734 603.12
Between 1 and 3 years	1 965 709.34	1 836 507.79
	2 751 993.08	2 571 110.91

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

10. Intangible assets

The breakdown of the heading "Intangible assets" as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Goodwill (Notes 1 and 3.e)	719 754.25	2 879 016.37
IM Gestâo de Ativos, S.G.O.I.C., S.A.	719 754.25	2 879 016.37
Other intangible assets	2 438 932.67	2 576 599.86
Patents, licenses, trademarks and other agreements	1 968 750.00	2 093 750.00
System applications	424 740.20	251 599.98
Intangible assets in progress	45 442.47	231 249.88
	3 158 686.92	5 455 616.23

The movements under the heading "Intangible assets" during the years 2021 and 2020 are as follows:

					Euros
	31.12.20	**Increase**	**Decrease**	**Reclassifications**	**31.12.21**
Goodwill (Notes 1 and 3.e)					
Cost	17 988 611.04	-	-	-	17 988 611.04
Depreciation	(15 109 594.67)	(2 159 262.12)	-	-	(17 268 856.79)
	2 879 016.37	(2 159 262.12)	-	-	719 754.25
Other intangible assets					
Cost					
Patents, licenses, trademarks and other agreements	5 870 000.00	-	-	-	5 870 000.00
System applications	2 612 958.08	142 019.84	-	178 350.23	2 933 328.15
Intangible assets in progress	231 249.88	15 779.14	(23 236.32)	(178 350.23)	45 442.47
	8 714 207.96	157 798.98	(23 236.32)	-	8 848 770.62
Accumulated depreciation					
Patents, licenses, trademarks and other agreements	(3 776 250.00)	(125 000.00)	-	-	(3 901 250.00)
System applications	(2 361 358.10)	(147 229.85)	-	-	(2 508 587.95)
	(6 137 608.10)	(272 229.85)	-	-	(6 409 837.95)
	2 576 599.86	(114 430.87)	(23 236.32)	-	2 438 932.67
Net intangible assets	5 455 616.23	(2 273 692.99)	(23 236.32)	-	3 158 686.92

					Euros
	31.12.19	Increase	Decrease	Reclassifications	31.12.20
Goodwill (Notes 1 and 3.e)					
Cost	17 988 611.04	-	-	-	17 988 611.04
Depreciation	(12 950 332.55)	(2 159 262.12)	-	-	(15 109 594.67)
	5 038 278.49	(2 159 262.12)	-	-	2 879 016.37
Other intangible assets					
Cost					
Patents, licenses, trademarks and other agreements	5 870 000.00	-	-	-	5 870 000.00
System applications	2 459 850.08	65 266.63	-	87 841.37	2 612 958.08
Intangible assets in progress	97 403.75	191 460.73	(21 376.92)	(36 237.68)	231 249.88
	8 427 253.83	256 727.36	(21 376.92)	51 603.69	8 714 207.96
Accumulated depreciation					
Patents, licenses, trademarks and other agreements	(3 651 250.00)	(125 000.00)	-	-	(3 776 250.00)
System applications	(2 252 079.67)	(109 278.43)	-	-	(2 361 358.10)
	(5 903 329.67)	(234 278.43)	-	-	(6 137 608.10)
	2 523 924.16	22 448.93	(21 376.92)	51 603.69	2 576 599.86
Net intangible assets	7 562 202.65	(2 136 813.19)	(21 376.92)	51 603.69	5 455 616.23

As mentioned in Note 1, in 2015 the Parent Company acquired 100% of the share capital of IM Gestâo de Ativos, S.G.O.I.C., S.A.

The Parent Company carried out an analysis of the assignment of the price paid to the assets acquired and the liabilities associated with the business acquired in order to determine, based on the difference between the price paid and the fair value of the assets and liabilities identified, the goodwill resulting on the transaction.

The breakdown of the acquisition cost, the identifiable assets and liabilities acquired and the calculation of goodwill carried out at the date on which control is acquired is as follows (thousand euros):

	Thousand euros
Cost of the combination (price)	22 666
Equity prior to the determination of the acquisition price	(5 023)
Excess of price	17 643
Intangible assets identified in the contract	3 370
Deferred tax liabilities identified in determining the acquisition price	(842)
	2 528
Initial goodwill	15 115

(Expressed in Euros)

The recoverable amount of a Cash Generating Unit (hereinafter CGU) is determined based on calculations of the value in use. These calculations use future cash flows projections based on management financial budgets that cover the total period associated with the duration of the management contract (7 years). Cash flows have been estimated using the free cash flow discounting method, projected for the period 2016-2023 on a discount rate (WACC) basis, including an estimate of a perpetuity cash flow, and its possible extension of 5 years a growth rate an appropriate perpetuity based on the estimated long-term growth of the business.

During 2021 and 2020, the Parent Company made an annual assessment of goodwill of the acquisition of IM Gestâo de Ativos, S.G.O.I.C., S.A. comparing the recoverable value of the CGU with their book value.

The key assumptions used to calculate the value in use are as follows:

	2021	2020
Key assumptions		
Discount rate	14.06%	10.04%
Beta coefficient	1.30	1.33
Risk premium	10.25%	7.50%
Useful life (years)	7	3
Growth "g"	n.a.	1.00%

Following the annual assessment of goodwill, no impairment has been observed on the basis of the companies' business performance, profit levels and the degree of attainment of their business plans.

Under the heading “Patents, licences, trademarks and similar”, and as part of the purchase process of IM Gestâo de Ativos, S.G.O.I.C., S.A., the Parent Company identified and measured an intangible asset which came to light on the business combination. This intangible asset relates to a part of the contract for the distribution of the funds managed by IM Gestâo de Ativos, S.G.O.I.C., S.A through the commercial network in Portugal of Banco Comercial Português S.A., based on maintaining a minimum volume of assets under management in the first three years of the term of that contract (Note 1).

As of December 31, 2021 and 2020, the value of identifiable intangible assets acquired recorded by the purchase of IM Gestâo de Ativos, S.G.O.I.C., S.A. amounts to an amount of 3,370,000.00 euros, which are fully amortized.

The valuation of this intangible asset has been articulated through the discount method of the cash flows that this part of the distribution contract would generate.

Additionally, on April 27, 2017, IM Gestâo de Ativos, S.G.O.I.C., S.A. acquired the management of 8 transferable funds from Crédito Agrícola Gest, S.G.F.I.M., S.A. This disbursement involves the generation of an intangible asset of 2,500,000.00 euros. As of December 31, 2021 and 2020, an amortization expense for this concept has been recorded in the "Amortization" caption of the consolidated profit and loss account for an amount of 125,000.00 euros both years.

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

11. Financial intermediaries debts and Customers debts

Financial intermediaries debts

The breakdown of the heading "Financial intermediaries debts" as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Guarantees received	49 325 011.75	18 091 673.52
Other operations pending settlement	1 017 942.86	22 912.72
Loans with credit institutions	677 107.75	2 007 052.75
Short-term deposits received	280 287.78	254 645.85
Other financial intermediaries	29 200.65	26 951.89
Temporary assignments of assets	-	2 370 761.03
	51 329 550.79	22 773 997.76

As of December 31, 2021 and 2020, the heading "Guarantees received" registered 49,325,011.75 euros and 18,091,673.52 euros, respectively, as guarantees from Intermoney Valores, S.V., S.A. on the derivatives settlement operations with investment vehicles managed by IM Gestão de Ativos, S.G.O.I.C., S.A.

As of December 31, 2021 and 2020, the detail of the heading "Loans with credit institutions" is as follows:

	Euros	
	2021	**2020**
Bankinter, S.A.- Loan	671 304.19	2 003 586.77
Banco Santander, S.A.- Credit line	5 803.56	3 465.98
	677 107.75	2 007 052.75

On 24 April 2020, Bankinter, S.A. granted an ICO loan to Wind to Market, S.A. for an amount of 2,000,000 euros. The terms and conditions of the loan are as follows:

- The loan must be fully repaid 24 months from the date of formalization of the contract, with an initial amortization grace period until October 24, 2020, during which period only interest will accrue according to the agreed frequency.

- The interest corresponding to the grace period will be paid by the Company on a quarterly basis, without prejudice to the termination for non-payment agreed in the contract.

- At the end of the grace period, payment will be made in 6 successive quarterly instalments of 336,256.07 euros each, which include the part destined to repay capital and interest.

(Expressed in Euros)

- Without prejudice to the aforementioned term and repayments, the Company may freely advance the total or partial repayment of the loan, notifying Bankinter, S.A. in writing.

- During the period from the formalisation of the contract until 24 April 2021, the loan will accrue to Bankinter, S.A. a fixed nominal interest rate of 1.00% per annum on the principal due.

- After this period and until the maturity date of the contract, the interest rate will be variable, calculated on the basis of a reference rate plus a spread, which will be reviewed every 12 months. The reference rate shall be the 12-month Euribor. The differential rate will be 1.00 point and will be added to the corresponding reference rate.

During the financial year 2021 Wind to market, S.A. has amortised an amount of 1,329,852.57 euros, leaving an amount of 670,147.43 euros pending, and no amount has been amortised during the financial year 2020.

The interest accrued in 2021 and 2020 on this loan amounts to 11,749.08 euros and 13,753.44 euros (Note 18), respectively, of which 1,156.76 euros and 3,586.77 euros were outstanding at 31 December 2021 and 2020, respectively.

At 31 December 2021 and 2020, Intermoney Valores, S.V., S.A. had taken out a credit policy with Bankinter, S.A. with a limit of 5,000,000 euros. At 31 December 2021 and 2020 there was no amount drawn down on this policy, which has accrued interest during 2021 and 2020 of 9,010.18 euros and 3,465.98 euros, respectively, with 5,803.56 euros and 3,465.98 euros, respectively, pending payment (Note 18).

The detail of "Short-term deposits received" includes deposits received from financial intermediaries for futures and securities transactions in 2021 and 2020 amounting to 280,287.78 euros and 254,645.85 euros, respectively.

The details of the heading “Temporary assignment of assets” as of December 31, 2021 and 2020 are as follows:

	Euros	
	2021	**2020**
Temporary assets transfers with third parties	-	2 370 761.03
	-	2 370 761.03

(Expressed in Euros)

The details of the temporary assignment of assets with third parties as of December 31, 2021 and 2020 are as follows:

					Euros
	Nominal	Price-Assignment	Accrued interest	Interest rate	Expiration date
Government Bonds	2 243 000.00	2 370 761.03	-	0%	04/01/2021
	2 243 000.00	2 370 761.03	-		

Customers debts

The detail of the "Customers debts" caption in the consolidated balance sheet as of December 31, 2021 and 2020 is as follows:

		Euros
	2021	2020
Deposits received in the short term	4 888 728.60	2 577 885.13
Other liabilities with customers	3 025 603.56	415 472.54
Guarantees received to operate in energy markets	32 000.50	32 000.50
	7 946 332.66	3 025 358.17

The detail of the heading "Deposits received in the short term" includes deposits received from customers to carry out futures and securities transactions during 2021 and 2020 for an amount of 4,888,728.60 euros and an amount of 2,577,885.13 euros, respectively.

On December 31, 2021 and 2020, the heading "Other liabilities with customers" includes, mainly, amounts pending payment to various creditors for the different activities of the Group.

12. Other liabilities

The balance recorded under "Other liabilities" in the consolidated balance sheet as of December 31, 2021 and 2020 consists of the following amounts (Note 4):

		Euros
	2021	2020
Creditors, invoices pending to be received	107 175 636.73	20 544 488.93
Remunerations pending payment	9 660 956.38	9 162 485.22
Public Administration creditor	8 952 391.65	2 913 885.85
Sundry creditors	6 413 727.97	2 020 370.32
Social Security	480 227.55	485 026.59
Deferred income	149 771.74	205 092.12
	132 832 712.02	35 331 349.03

(Expressed in Euros)

The heading "Creditors, invoices pending to be received" as at 31 December 2021 and 2020, registered mainly the estimates of energy bought to wind parks, amounting to 103,470,594.64 euros and amounting to 17,223,912.70 euros, respectively, and the purchases of the Group's Entities.

The "Remunerations pending payment" caption includes as of December 31, 2021 and 2020 the bonuses pending payment to employees, calculated as a percentage of the consolidated result for the year.

The detail by amount of "Public Administration creditor" as at 31 December 2021 and 2020 is as follows:

		Euros
	2021	**2020**
VAT	7 998 827.64	1 170 208.87
Personal Income Tax	730 165.61	1 463 993.59
Other taxes	223 398.40	279 683.39
	8 952 391.65	2 913 885.85

As of December 31, 2021 and 2020, the heading "Sundry creditors" includes outstanding balances of payment to suppliers in the amount of 6,413,727.97 euros and in the amount of 2,020,370.32 euros, respectively.

13. Provisions

During the year 2021, due to the nature of the balances, the amounts under "Provisions for taxes and other legal contingencies" have been reclassified to "Other provisions" within the same liability caption.

As of December 31, 2021 the balance recorded under the heading "Other provisions" and as of December 31, 2020 the balance recorded under the heading "Provisions for taxes and other legal contingencies" of the consolidated balance sheet includes an amount of 286,650.77 euros and 613,543.04 euros, respectively, in order to cover risks on taxes.

Likewise, as of December 31, 2021 and 2020, an amount of 940,473.38 euros and 695,872.10 euros, respectively, has been recorded under the heading "Other provisions", corresponding to a fund to meet different liabilities. In addition, as of December 31, 2020, an amount of 330,000.00 euros has been registered corresponding to a fund to face expenses for contingencies derived from the Covid-19 pandemic.

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

14. Equity

The amounts and movements in equity during the years ended 31 December 2021 and 2020 are as follows:

					Euros
	31.12.20	Other movements	Interim Dividend	Profit or loss for the year	31.12.21
Share capital	2 018 656.83	-	-	-	2 018 656.83
Share Premium	3 555 844.89	-	-	-	3 555 844.89
Treasury shares	(71 100.00)	(79 650.00)	-	-	(150 750.00)
Interim dividend	(3 250 000.00)	3 250 000.00	-	-	-
	2 253 401.72	3 170 350.00	-	-	5 423 751.72
Legal reserve	465 414.40	-	-	-	465 414.40
Voluntary reserves	23 470 469.67	732 998.66	-	-	24 203 468.33
Consolidated reserves	18 453 412.40	(235 507.41)	-	-	18 217 904.99
Reserves for treasury shares	71 100.00	79 650.00	-	-	150 750.00
	42 460 396.47	577 141.25	-	-	43 037 537.72
Valuation adjustments	(143 287.38)	1 105 585.85	-	-	962 298.47
Profit of the year	4 739 656.86	(4.739 656.86)	-	2 493 634.12	2 493 634.12
	49 310 167.67	113 420.24	-	2 493 634.12	51 917 222.03

					Euros
	31.12.19	Other movements	Interim Dividend	Profit or loss for the year	31.12.20
Share capital	2 018 656.83	-	-	-	2 018 656.83
Share Premium	3 555 844.89	-	-	-	3 555 844.89
Treasury shares	(71 100.00)	-	-	-	(71 100.00)
Interim dividend	(4 250 000.00)	4 250 000.00	(3 250 000.00)	-	(3 250 000.00)
	1 253 401.72	4 250 000.00	(3 250 000.00)	-	2 253 401.72
Legal reserve	465 414.40	-	-	-	465 414.40
Voluntary reserves	22 098 841.66	1 371 628.01	-	-	23 470 469.67
Consolidated reserves	19 086 387.57	(632 975.17)	-	-	18 453 412.40
Reserves for treasury shares	71 100.00	-	-	-	71 100.00
	41 721 743.63	738 652.84	-	-	42 460 396.47
Valuation adjustments	802 529.97	(945 817.35)	-	-	(143 287.38)
Profit of the year	4 969 333.32	(4 969 333.32)	-	4 739 656.86	4 739 656.86
	48 747 008.64	(926 497.83)	(3 250 000.00)	4 739 656.86	49 310 167.67

As of December 31, 2021 and 2020, the share capital of CIMD, S.A. is divided into a total of 335,883 shares, of 6.01 euros of par value each, fully subscribed and paid, of which 263,759 shares are Class A and 72,124 shares are Class B shares (the latter belong exclusively to ICAP) Holdings Limited as of December 31, 2021 and 2020).

All shares are the same nominal value (6.01 euros per share) and the same vote right, differing on the economic rights exclusively. Shares Class B has superior economic rights in 36.85% of Shares Class A.

The only shareholder with a stake of more than 10% is ICAP Holdings Limited, which holds 72,124 shares, or 21.4730%.

Legal reserve

The legal reserve has been registered in accordance to the Article 274 of the Law on Capital Companies, which establishes that, in any case, an equal number to the 10% of the benefit of the exercise will be destined to this one, until it reaches, at least, the 20% of the share capital. This reserve cannot be distributed and, if it is used to compensate losses, in case other sufficient reserves available for such aim do not exist, it must be answer with future benefits.

Treasury shares

During the financial year 2021 the movement in treasury shares is as follows:

	Nº Treasury shares			Thousands of euros	
Date	**Purchase**	**Sale**	**Amortization**	**Nominal value**	**Transaction value**
February - 2021	360	-	-	2	49
April - 2021	-	250	-	1	(34)
June - 2021	540	-	-	3	65
	900	250	-		
	650				

On 25 February 2021 and 16 June 2021, the Parent Company acquired a total of 360 and 540 Class A treasury shares, respectively, for a total amount of 114 thousand euros.

On 6 April 2021, the Parent Company sold a total of 250 Class A treasury shares for a total amount of 34 thousand euros.

As a result of the transactions during the year 2021, the Parent Company had an increase in reserves for treasury shares in the amount of 79,650 euros.

During the year 2020 there were no movements in treasury shares held by the Parent Company.

The movement in the "Reserves for treasury shares" account during the periods ended 31 December 2021 and 2020 has been as follows:

				Miles de euros
	31.12.20	Increases	Decreases	31.12.21
Reserve for treasury shares	71 100.00	79 650.00	-	150 750.00
	71 100.00	79 650.00	-	150 750.00

				Miles de euros
	31.12.19	Increases	Decreases	31.12.20
Reserve for treasury shares	71 100.00	-	-	71 100.00
	71 100.00	-	-	71 100.00

Minority Interests

The breakdown of the heading "Minority interests" in the consolidated balance sheet is detailed below:

		Euros
	2021	2020
Capital	588 254.33	511 500.00
Reserves	1 103 230.88	955 211.69
Profit/loss for the year	144 408.23	179 239.44
Share premium	123 240.47	-
Interim dividend	(120 756.13)	(132 000.00)
	1 838 377.78	1 513 951.13

As at 31 December 2021 and 2020, external shareholders capital consists the 33.016% and 30.001% respectively, of the shareholding of the subsidiary Intermoney Titulización, S.G.F.T., S.A.

Earnings per share

i. Basic earnings per share

Basic earnings per share are calculated by dividing the net profit attributed to the Group by the weighted average number of shares of common stock during the year, excluding, where appropriate, the treasury shares acquired by the Group. The calculation of the basic earnings per share of the Group is as follows:

(Expressed in Euros)

	Euros	
	2021	2020
Net profit attributed to the Group	2 493 634.12	4 739 656.86
Average outstanding number of ordinary shares	334 928	335 343
Basic earnings per share	7.45	14.13

As at 31 December 2021 and 2020, the profit per share of the Class A shares is equal to 6,90 euros and 13,08 euros each, respectively.

Likewise, as at 31 December 2021 and 2020, the profit per share of the Class B shares is equal to 9,44 euros and 17,89 euros each, respectively.

ii. Diluted earnings per share

In calculating diluted earnings per share, the amount of profit attributable to ordinary shareholders and the weighted average number of shares outstanding, net of treasury shares, are adjusted to take into account all the dilutive effects inherent to potential ordinary shares: stock options for the employees with fixed terms, non-vested shares and subordinated debt.

Accordingly, diluted earnings per share were determined as follows:

	Euros	
	2021	2020
Net profit attributed to the Group	2 493 634.12	4 739 656.86
Average outstanding number of ordinary shares	334 928	335 343
Adjustments for: Issues for stock options	-	-
Average outstanding number of ordinary shares for diluted earnings per share purposes	334 928	335 343
Diluted earnings per share	7.45	14.13

As at 31 December 2021 and 2020, the basic earnings per share of the Group coincides exactly with diluted earnings per share, since there are no non-vested shares or subordinated debt.

Consolidated reserves

The breakdown of this heading as at 31 December 2021 and 2020 is as follow:

Subsidiary company	Euros 2021	2020
CIMD S.A. (Parent Company)	26 684 807.72	25 388 175.36
Intermoney Valores, S.V., S.A.	5 843 773.02	5 863 697.06
CIMD, S.V., S.A	4 158 297.78	2 005 794.47
Wind to Market, S.A.	2 380 648.05	2 989 652.12
Intermoney Titulización, S.G.F.T., S.A.	2 243 300.91	1 920 844.32
Intermoney Valora Consulting, S.A.	(215 232.11)	48 744.66
CIMD (Dubai), Ltd	(1 480 817.14)	(1 338 789.52)
Intermoney, S.A.	(2 999 762.60)	(2 549 729.53)
Intermoney Gestión, S.G.I.I.C., S.A.	(2 546 931.78)	(2 171 787.54)
IM Gestâo de Ativos, S.G.O.IC., S.A.	(15 850 178.86)	(13 703 189.00)
	18 217 904.99	18 453 412.40

Minimum own resources

The own funds requirements for investment firms and groups of investment firms are determined by Regulation (EU) 2019/2033 of the Parliament and of the Council of 27 November, which applies from 26 June 2021.

Regulation (EU) 2019/2033 incorporates the confidential prudential information that Investment Firms must periodically send to the CNMV. This information is homogeneous with that required in the framework of the single market, given that it responds to a process of convergence between the different countries of the European Union.

In addition to compliance with the capital requirements at the individual level applicable to the subsidiaries Intermoney Gestión, S.G.I.I.C., S.A., Intermoney Titulización, S.G.F.T., S.A., IM Gestão de Ativos, S.G.O.I.C., S.A. and CIMD (Dubai) Ltd. established by the regulations that apply specifically to each of them, the new rules incorporate compliance with the requirements at the individual level for CIMD, S.V., S.A. and Intermoney Valores, S. V., S.A. and at the consolidated level for CIMD, S.A.

At 31 December 2021 the solvency ratios of the Group and of the two investment services companies are not comparable with the 2020 figure due to the radical change in the method of calculation and requirement.

As at 31 December 2021, the solvency ratio of the Group is 421.95%, which means a surplus of 34,567 euros thousand euros of equity compared to the requirement (28,320 thousand euros as at 31 December 2020).

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

At the individual level, as of December 31, 2021, the solvency ratio of Intermoney Valores, S.V., S.A. is 1,094.97%, which represents a surplus of 14,855 thousand euros of own resources compared to the required amount (15,245 thousand euros as of December 31, 2020). For CIMD, SV, SA, as of December 31, 2020, the solvency ratio is 217.50% which implies a surplus of 4,223 thousand euros of own resources against the demand (3,521 thousand euros as of December 31, 2020).

These ratios are completely covered with capital belonging to the tier 1 ordinary capital.

Valuation adjustments

As of December 31, 2021 and 2020, the Parent Company includes under the heading "Valuation Adjustments - Exchange Differences" a positive amounts of 962,298.47 euros and 143,287.38 euros, respectively, for exchange differences arising from the consolidation process of the financial statements of CIMD (Dubai), Ltd. (Note 3.l).

15. Proposed distribution of results

The distribution of the results of CIMD, S.A. for year ended as at 31 December 2021, which is subject to approval of the General Shareholders Meeting, and the distribution of the result for year ended as at 31 December 2020, which was approved by the General Shareholders Meeting, are as follows:

		Euros
	2021	**2020**
Sharing basis		
Profit of the year	5 977 348.38	4 662 648.66
Distribution		
Interim dividend	-	3 250 000.00
Voluntary reserves	3 477 348.38	812 648.66
Dividend	2 500 000.00	600 000.00
	5 977 348.38	4 662 648.66

During fiscal year 2020, based on the agreement reached by the Board of Directors held on December 18, 2020, they were distributed to the shareholders of CIMD, S.A. dividends charged to the result of said financial year in the amount of 3,250,000.00 euros.

This amount did not exceed the results obtained as of December 16, 2020, deducting the estimates of the Corporation Tax to be paid on said results, in line with the provisions of article 277 of the Capital Companies Act.

The provisional financial statements prepared in accordance with the legal requirements and which showed the existence of sufficient liquidity for the distribution of the aforementioned dividends are set out below:

(Expressed in Euros)

	16.12.2020
Result to date	4 556 147.00
Interim dividends previously proposed	-
Distributable results	4 556 147.00
Interim dividend proposed	3 250 000.00
Liquidity statement:	
Treasury	10 921 599.00
Temporary financial investments	3 261 782.00
	14 183 381.00

16. Tax situation

The Parent Company presents a consolidated tax return with its subsidiaries CIMD, S.V., S.A., Intermoney, S.A., Intermoney Valores, S.V., S.A., Intermoney Gestión, S.G.I.I.C., S.A., Wind to Market, S.A. and Intermoney Valora Consulting, S.A.

The reconciliation of the differences between the consolidated profit for the year 2021 and 2020 and the books and the taxable income is as follows:

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

	Euros	
	2021	2020
Aggregation of the individual Group Companies profits before taxes (*)	6 176 735.33	6 774 888.68
Permanent differences	(8 418 641.94)	(7 686 601.62)
Donations	119 092.81	166 313.00
Sanctions	9 954.00	57 702.00
Pension insurance	126 156.16	76 627.36
Amortization	(16 994.68)	(16 994.68)
Impairment affiliated companies	54 000.00	2 597 196.06
Other adjustments	395 000.00	318 000.00
Exemptions	(9 105 850.23)	(10 88 5 445.36)
	(2 241 906.61)	(911 712.94)
Consolidated taxable profit before taxes (*)	(2 241 906.61)	(911 712.94)
Taxable income	(2 241 906.61)	(911 712.94)
Tax quote (25%)	(560 476.65)	(227 928.24)
Limit depreciation 2013 and 2014	(879.95)	(879.95)
Donations deductions	(41 682.48)	(58 209.55)
Gross tax payable	(603 039.08)	(287 017.74)
Adjustments deferred tax	-	-
Corporate income tax expense of Intermoney Titulización, S.G.F.T., S.A. and IM Gestao de Ativos, S.G.O.I.C., S.A. (not included in the consolidated tax return)	785 014.58	890 867.91
Income tax	181 975.50	603 850.17

(*) Corresponding to the Companies included in the consolidated tax return.

The detail of the corporate tax expense attributable to companies that do not pay taxes on a consolidated basis at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	2020
IM Gestâo de Ativos, S.G.O.I.C., S.A.	634 732.15	682 987.85
Intermoney Titulización, S.G.F.T., S.A.	150 282.43	207 880.06
Income tax	785 014.58	890 867.91

(Expressed in Euros)

The detail of the current tax assets and liabilities by the Group as of December 31, 2021 and 2020 is as follows:

				Euros
		2021		2020
	Assets	Liabilities	Assets	Liabilities
IM Gestão de Ativos, S.G.O.I.C., S.A.	98 312.33	120 990.82	434 963.66	67 884.98
Intermoney Valores, S.V., S.A.	-	-	-	-
CIMD (Dubai) Ltd.	47 611.23	-	25 408.91	-
Intermoney Titulización, S.G.F.T., S.A.	-	65 396.79	-	144 370.26
	145 923.56	186 387.61	460 372.57	212 255.24

The detail of the deferred tax assets and liabilities by the Group as of December 31, 2021 and 2020 is as follows:

				Euros
		2021		2020
	Assets	Liabilities	Assets	Liabilities
IM Gestão de Ativos, S.G.O.I.C., S.A.	6 727.36	-	59 715.68	-
CIMD, S.A.	2 126 258.05	-	1 523 188.35	-
	2 132 985.41	-	1 582 904.03	-

Details of the Parent Company's deferred taxes at the end of 2021 and 2020 are as follows:

		Euros
	2021	2020
Tax credit for tax losses	1 746 064.17	1 185 857.52
Donations	351 602.88	309 619.78
Depreciation	28 591.00	27 711.05
	2 126 258.05	1 523 188.35

The detail of the tax loss carryforwards by year of generation is as follows:

			Euros
Year	Generated Cleared Pending clearing	Generated Cleared Pending clearing	Generated Cleared Pending clearing
2018	3 639 213.60	-	3 639 213.60
2019	191 425.15	-	191 425.15
2020	911 712.94	-	911 712.94
2021	2 241 906.61	-	2 241 906.61
TOTAL	6 984 258.30	-	6 984 258.30

(Expressed in Euros)

The movement in deferred tax assets as at 31 December 2021 and 2020 is as follows:

				Euros
	31.12.20	**Increases**	**Decreases**	**31.12.21**
IM Gestão de Ativos, S.G.O.I.C., S.A.	59 715.68	-	(52 988.32)	6 727.36
CIMD, S.A.	1 523 188.35	608 069.70	(5 000.00)	2 126 258.05
	1 582 904.03	608 069.70	(57 988.32)	2 132 985.41

				Euros
	31.12.19	**Increases**	**Decreases**	**31.12.20**
IM Gestão de Ativos, S.G.O.I.C., S.A.	112 703.99	-	(52 988.31)	59 715.68
CIMD, S.A.	1 236 170.60	287 017.75	-	1 523 188.35
	1 348 874.59	287 017.75	(52 988.31)	1 582 904.03

The tax loss carryforwards pending offset by the Group are due to losses recorded in prior years by the Group's subsidiaries Intermoney Valores, S.V., S.A. and Intermoney, S.A. In accordance with the budget for the financial year 2022, approved by the Board of Directors of CIMD, S.A., and in accordance with the projections of tax results derived from said Strategic Plan, as well as the forecast absorption of deferred tax assets adjusted to the latest changes in tax regulations, the tax Group will obtain tax gains in the coming years that allow their recovery in a reasonably short period (less than 10 years), with no risk of expiry of the right to use the deferred tax assets for tax loss carryforwards, as the maximum period for offsetting has been eliminated.

The most relevant estimates used to assess the recoverability of deferred tax assets are: (i) the expected profit before tax for each of the years included in the estimates, which are consistent with the various reports used by the Group for its internal management and for reporting to supervisors, and (ii) the reversibility of the main tax assets recognised in the consolidated balance sheet, taking into account current tax regulations and especially the provisions of article 130.5 of the Corporate Income Tax Act.

The Parent Company together with the companies CIMD, S.V., S.A. Intermoney Valores, S.V., S.A., Intermoney, S.A., Intermoney Gestión, S.G.I.I.C., S.A., Intermoney Titulizacion S.G.F.T., S.A., Intermoney Valora Consulting, S.A. and Wind to Market, S.A. have open to inspection by the tax authorities all the taxes legally not prescribed that are applicable.

(Expressed in Euros)

17. Risk and commitment accounts and Other off-balance sheet accounts

The breakdown of the heading “Bank and granted guarantees” as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	2020
Collateral – Euroclear and temporary asset acquisitions	500 000.00	4 370 761.03
Guarantees	2 316 014.58	861 919.58
Guarantees granted	17 826 591.36	7 086 686.89
	20 642 605.94	12 319 367.50

The nominal value of the futures contracted by the Group companies at 31 December 2021 and 2020 amounting to 4,732,085.86 euros and 4,966,417.04 euros is recorded under "Financial derivatives" in the Risk and Commitment Accounts of the consolidated balance sheet. At 31 December 2021 and 2020, these derivatives have generated losses of 894,806.57 euros and gains of 36,710.08 euros, respectively (Note 21).

The breakdown of the heading “Security deposits” as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	2020
Mortgage debentures deposits	1 358 966 753.43	2 723 171 257.50
Securities deposits	111 637 355.83	115 703 444.87
Temporary transfers	-	2 370 761.03
	1 470 604 109.26	2 841 245 463.40

The detail of the heading “Other off balance sheet items” as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	2020
Investment funds managed by the Group	4 510 825 604.08	3 290 128 900.00
Available not subject to credit institutions	5 000 000.00	5 000 000.00
Own and third party financial instruments held by other entities	8 063 973.88	7 086 580.72
	4 523 889 577.96	3 302 215 480.72

The heading “Investment funds managed by the Group” as at 31 December 2021 and 2020, includes assets of mutual funds managed by IM Gestâo de Ativos, S.G.O.I.C., S.A. and Intermoney Gestión, S.G.I.I.C., S.A.

The breakdown of the heading “Managed portfolios” as at 31 December 2021 and 2020 is as follows:

(Expressed in Euros)

	Euros 2021	Euros 2020
Domestic and foreign investment funds	21 452 064.65	16 462 851.28
Equities	2 235 085.53	2 037 132.63
Fixed income	1 745 231.09	3 085 828.85
Cash in financial intermediaries	1 033 356.26	109 585.42
	26 465 737.53	21 695 398.18

The breakdown of the number of customers and total assets managed by Intermoney Valores, S.V., S.A. as at 31 December 2021 and 2020, classified by range in the portfolios managed, is as follows:

	2021		2020	
Tramos	**Clientes**	**Euros**	**Clientes**	**Euros**
Up to 60 thousand euros	33	181 641.10	32	252 483.83
61 thousand euros to 300 thousand euros	27	4 665 354.92	22	3 733 444.49
301 thousand euros to 600 thousand euros	10	4 304 887.82	15	5 914 909.04
601 thousand euros to 1,500 thousand euros	10	9 461 207.15	4	3 482 846.28
More than 1,501 thousand euros	3	7 852 646.54	3	8 311 714.54
	83	26 465 737.53	76	21 695 398.18

18. Result from interest

The heading “Interest and similar incomes” and “Interest expenses and similar charges” as at 31 December 2021 and 2020 is as follows:

	Euros 2021	Euros 2020
Interest and similar incomes	68 053.23	16 247.56
Fixed-term deposits (Note 7)	616.07	13 926.14
Interest on loans (Note 8)	67 437.16	2 321.42
Interest expenses and similar charges	(149 494.67)	(97 857.23)
Guarantees	(20 139.43)	(14 481.00)
Current accounts	(117 606.16)	(99 898.01)
Loan interest (Note 11)	(11 749.08)	(13 753.44)
	(81 441.44)	(81 609.67)

19. Fees and commissions incomes

The heading “Fees and commissions incomes” in the consolidated profit and loss account as at 31 December 2021 and 2020 is as follows:

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

	Euros 2021	2020
Income obtained from the own activities of the Group's Subsidiaries	53 300 237.97	55 544 593.66
Income obtained from electric energy - sales and purchases	7 085 699.41	5 412 990.19
Rappels	(1 258.18)	(5 133.82)
	60 384 679.20	60 952 450.03

The breakdown of the heading "Income obtained from electric energy - sales and purchases" of Wind to Market, S.A. for 2021 and 2020 is as follows:

	Euros 2021	2020
Electric energy sales	918 457 691.00	271 465 579.36
Electric energy purchases	(911 371 991.59)	(266 052 589.17)
	7 085 699.41	5 412 990.19

As mentioned in Note 1, the Group has a presence in Spain, Portugal and the United Arab Emirates (Dubai).

Fees and comissions incomes by location as at 31 December 2021 and 2020 is as follows:

	Euros 2021	2020
European Union	44 517 762.93	44 770 607.76
United Arab Emirates (Dubai)	15 866 916.27	16 181 842.27
	60 384 679.20	60 952 450.03

20. Fees and commissions expenses, Exchange differences and Other operating charges

The breakdown of the heading "Fees and commissions expenses" at 31 December 2021 and 2020 is as follows:

	Euros 2021	2020
Expenses relating to commissions on order processing	5 324 764.51	3 936 277.04
Expenses relating to settlement of operations performed	1 510 986.17	2 006 457.97
Trading losses	41 322.35	(5 240.92)
	6 877 073.03	5 937 494.09

(Expressed in Euros)

The detail of the trading losses as at 31 December 2021 and 2020 is as follows:

	2021		2020	
Trading market	**Number of cases**	**Euros**	**Number of cases**	**Euros**
Fixed income	2	(25 653.40)	1	(861.56)
Equities	237	(5 072.27)	240	(25 312.42)
Derivatives	14	(8 388.68)	12	20 933.06
Deposits	1	(2 208.00)	-	-
	254	(41 322.35)	253	(5 240.92)

The heading "Exchange differences" in the consolidated income statement includes the exchange differences arising from the transactions carried out which amount to losses of 313,027.23 euros and gains of 318,364.29 euros as of December 31, 2021 and 2020, respectively.

The heading "Other operating charges" as of December 31, 2021 and 2020 includes fees paid to the CNMV. amounting to 71,000.04 euros and 82,434.18 euros, respectively.

21. Gains and losses on financial assets and liabilities (net)

The breakdown of "Gains and losses on financial assets and liabilities (net) - Held for trading" as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Fixed income – Purchases and sales (Note 6)	2 818 389.92	3 157 582.00
Capital instrument trading – Collective Investment Institutions (Note 6)	821 629.71	(172 504.08)
Capital instrument trading – Venture Capital Funds(Note 6)	159 085.19	-
Economic hedging derivatives operations (Note 17)	(835 740.32)	9 758.83
Fixed income – Marketable instruments - Purchases and sales (Note 6)	(6 979.61)	21 477.46
Trading of other equity instruments	12 477.02	26 951.25
	2 968 861.91	3 043 265.46

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AS AT 31 DECEMBER 2021 (Expressed in Euros)

22. Personnel expenses

The breakdown of the heading “Personnel expenses” as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Salaries and wages	30 856 593.76	32 086 701.50
Social Security	3 737 007.54	3 809 476.48
Other personnel expenses	1 398 686.00	1 559 040.98
Termination benefits	782 904.10	602 883.80
	36 775 191.40	38 058 102.76

23. Other administrative expenses and Impairment losses from other assets

The breakdown of the heading “Other administrative expenses” as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	**2020**
Communications	4 252 283.03	4 197 045.63
Other services of independent professionals	2 368 584.51	1 813 269.26
Rental of Real estate and installations	1 576 053.86	1 547 409.15
Conservation and repair	1 305 850.26	1 229 550.66
Taxes	600 386.44	636 463.89
Other services	602 252.18	503 650.00
Publicity and representation	470 089.63	433 104.46
Displacement expenses	236 527.16	184 418.65
Insurance	215 616.94	180 772.03
Banking services	168 637.33	195 108.42
Donations	109 734.88	201 485.00
Supplies	80 242.05	86 887.00
Others expenses	(81 491.06)	367 096.84
Total	11 904 767.21	11 576 260.99

At 31 December 2021 the amount recognised under "Impairment losses from other assets - Other" includes the indemnity paid by one of the Group companies by court order to a third party for fixed income brokerage operations.

(Expressed in Euros)

24. Information on the average supplier payment period. Additional Provision Three. Disclosure requirement Law 15/2010, of 5 July

Under the second final provisions of Law 31/2014, of 3 December, which amends the third additional provisions of Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, on combating late payment in commercial transactions and in relation to the information to be stated in notes to annual accounts regarding deferrals of trade payables in commercial transactions calculated on the basis of the Decision of the Spanish Accounting and Auditing Institute ("ICAC") dated 29 January 2016, the average payment period for trade payables made by the Company during 2021 and 2020 is as follows:

	2021	2020
	Days	Days
Average period for payment to suppliers	14,91	18,72
Ratio of paid transactions	15,52	18,70
Ratio of unpaid transactions	5,27	25,90
	Euros	Euros
Total payments	744 644 242.04	41 106 556.58
Total outstanding payments	4 141 772.56	162 780.51

25. Other information

The members of the Board of Directors of the Group companies have accrued in terms of salaries or remuneration an amount of 5,395 thousand euros and 6,779 thousand euros during the years 2021 and 2020, respectively. 38 thousand euros and 33 thousand euros, respectively, have been paid for life insurance premiums for this group in 2021 and 2020.

The Senior Management personnel of the Group companies have accrued in terms of salaries or remuneration during 2021 and 2020 an amount of 2,063 thousand euros and 2,034 thousand euros, respectively. 14 thousand euros and 11 thousand euros, respectively, have been paid for life insurance premiums for this group in 2021 and 2020.

Likewise, during financial years 2021 and 2020 the Group has paid, in concept of civil liability insurance for Administrators and Senior Management, an amount of 27 thousand euros and 24 thousand euros, respectively.

During the financial years 2021 and 2020, the amount accrued by the members of the Board of Directors of the Group companies, due to the fact of belonging to it, amounted to 90 thousand euros and 80 thousand euros, respectively.

As of December 31, 2021 and 2020, no advances or credits have been granted to the aforementioned members of the Administrative Body and Senior Management personnel.

The fees of the PricewaterhouseCoopers external auditors corresponding to the audit of the Parent Company and its Subsidiaries for the financial years 2021 and 2020 have amounted to 191 thousand euros and 176 thousand euros, respectively. Likewise, the fees accrued during 2021 and 2020 for other services provided to the Group amounted to 24 thousand euros and 38 thousand euros, respectively.

In addition, fees accrued in 2021 and 2020 by other companies in the PwC network for tax advisory services, other verification services and other services provided to the Company amounted to 25 thousand euros and 60 thousand euros, respectively.

Mazar's external audit fees for the audit of IM Gestâo de Ativos. S.G.O.I.C., S.A. for 2021 and 2020 amounted to 26 thousand euros and 21 thousand euros. respectively.

As at 31 December 2021, the Board of Directors of the Parent Company consists of 10 men.

On 29 March 2021, the following change took place in the Board of Directors of the Parent Company:

- Mr. Rafael Galán Mas tendered his resignation as Director, not forming part of the Board of Directors at the date of formulation of the individual and consolidated annual accounts of CIMD, S.A. corresponding to the 2021 financial year.

On 30 April 2021 the following change took place on the board of directors of the Parent company:

- Mr. Carlos Javier Ciérvide Jurío was appointed Director, forming part of the Board of Directors at the date of formulation of the individual and consolidated annual accounts of CIMD, S.A. corresponding to the financial year 2021.

The Parent Company and its Subsidiaries overall operations are subject to laws relating to environmental protection (“environment laws”) and the health and safety of the workers (“safety at work laws”). The Parent Company considers that the requirements of these laws are substantially met and that they have procedures designed to promote and guarantee compliance therewith.

The Parent Company and its Subsidiaries have adopted the appropriate measures in relation to the protection and improvement of the environment and to minimize, if applicable, any environmental impact, thus complying with current legislation in this respect. During the year 2021 and 2020, it was not deemed necessary to book any provisions for environmental risks or charges since there are no contingencies related to the protection or improvement of the environment.

There are no significant contingencies related to the protection or improvement of the environment.

At 31 December 2021 the Parent Company's Administrators and persons related to them, as described in Article 231 of the Spanish Companies Act, declare that they are not involved in any situations of conflict of interest which should have been reported pursuant to Article 229 thereof.

26. Client Attention Department

Pursuant to Order ECO 734/2004, of March 11, the Customer Service Department received six customer queries during fiscal year 2021, which were not considered as complaints or claims, but were resolved through this Department as they were received through this channel. The Group received three customer queries during the year 2020, which were not considered as complaints or claims, but were resolved through the Customer Service Department as they were received through this channel.

27. Subsequent events

The conflict between Russia and Ukraine is causing, among other effects, an increase in the price of certain raw materials and the cost of energy, as well as the activation of sanctions, embargoes and restrictions towards Russia that affect the economy in general and companies with operations with and in Russia specifically. The extent to which this conflict will impact the Group's investment portfolio and the various lines of business of its component companies will depend on the development of future events that cannot be reliably predicted at the date of preparation of these consolidated financial statements. In any case, despite the uncertainty that exists, with the data now available the directors of the Parent Company consider that the income statements of the different business lines should not be significantly affected.

In addition to the foregoing, no significant subsequent events have occurred between the end of the 2021 financial year and the date of preparation of these consolidated financial statements.

ANNEX I

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A.

BALANCE SHEET AT 31 DECEMBER 2021
(Expressed in thousand euros)

Assets	**2021**	**2020 (*)**
Non-current assets	35 469	33 450
Intangible assets	15	12
Tangible assets	173	213
Long-term investments in Group companies and associates	31 482	30 900
Equity instruments	31 482	30 900
Long-term investments	1 673	802
Other financial assets	132	132
Equity instruments	1 541	670
Deferred tax assets	2 126	1 523
Current assets	13 649	10 899
Trade and other receivables	145	109
Sundry receivables	66	50
Loans to employees	-	-
Public Administrations – Other	79	59
Short-term investments in Group companies and associates	6 204	3 450
Loans to companies	-	-
Other financial assets	6 204	3 450
Short-term investments	3 045	2 838
Equity instruments	3 044	2 779
Other financial assets	1	59
Cash and cash equivalents	4 182	4 433
Short-term accruals	73	69
Total assets	49 118	44 349

(*)They are presented. only and exclusively. for comparative purposes

ANNEX I

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A.

BALANCE SHEET AT 31 DECEMBER DE 2021
(Expressed in thousand euros)

	2021	2020 (*)
Equity	36 219	30 922
Capital	2 018	2 018
Share premium reserve	3 556	3 556
Reserves	24 819	24 006
(Treasury shares)	(151)	(71)
Profit/Loss for the year	5 977	4 663
(Active dividend on account)	-	(3 250)
Non-current liabilities	5 325	6 325
Long term debts with Group companies	5 325	6 325
Current liabilities	7 574	7 102
Short- term provisiones	941	787
Debts with financial institutions		
Current liabilities	-	-
	-	-
Other financial liabilities	-	-
Short-term payables to Group companies	5 107	4 645
Trade and other payables	1 490	1 639
Sundry payables	113	249
Accrued wages and salaries	1 122	1 013
Payable to Public Administrations	255	377
Short-term accruals	36	31
Total equity and liabilities	49 118	44 349

(*)They are presented. only and exclusively. for comparative purposes

ANNEX I

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A.

PROFIT AND LOSS ACCOUNTS FOR THE YEARS ENDED AT 31 DECEMBER 2021
(Expressed in thousand euros)

	2021	2020
Continuing operations		
Revenue	11 541	12 811
Personnel costs	(4 067)	(4 037)
Wages salaries and similar remuneration	(3 578)	(3 550)
Social charges	(489)	(487)
Other operating charges	(2 251)	(2 171)
External services	(2 246)	(2 166)
Taxes	(5)	(5)
Fixed asset depreciation	(76)	(79)
Other results	(78)	(208)
Operating income/expense – net	5 069	6 316
Finance income	1	2
Shares in equity instruments	-	-
Group companies	-	-
Thirds	-	-
Sale values and other financial instruments	1	2
Group companies	-	-
Thirds	1	2
Finance costs	(118)	(126)
Debt with Group companies	(118)	(126)
Debt with thirds	-	-
Change in fair value of financial instruments	75	(26)
Exchange differences	3	8
Impairment and profit/loss on disposal of financial instruments	33	(2 658)
Financial results	(6)	(2 800)
Profit/loss before income tax	5 063	3 516
Corporate income tax	914	1 147
Profit/loss for the year	5 977	4 663

(*)They are presented. only and exclusively. for comparative purposes

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, S.A. AND SUBSIDIARIES

CONSOLIDATED DIRECTOR'S REPORT FOR 2021

Faithful exposition of the business and main activities

The 2021 financial year has had some important milestones that have had an uneven impact on the execution of the different business projects developed by the companies that make up the CIMD Group.

We started the year with the permanence of the pandemic, to which we have had to learn to adapt, and a strong upturn in economic growth accompanied by a lax monetary policy. In the second part of the year, the volatility of energy prices and the resurgence of inflation cast doubt on the ability of central banks to support an economic cycle that looks set to be much shorter than previously thought, causing uncertainties about the evolution of the economy to intensify.

It was not a good year in the global financial intermediation business, nor for the Group, but we were able to improve our results in the rest of the Group's businesses.

By 2022, we expect that the reduction in central banks' involvement in the markets will allow our trading rooms to regain a greater role as price providers to our customers.

The following is a brief summary of the management during 2021 of each of the subsidiaries and how their activity was affected by these developments during the year.

CORRETAJE E INFORMACIÓN MONETARIA Y DE DIVISAS, SV, SA

2021 was a particularly challenging year for the CIMD Group's brokerage business. Trying to safeguard the health of our employees as a primary objective, as well as the need for face-to-face work due to the idiosyncrasies of managing an OTF, has been a difficult objective. Add to this the massive central bank intervention in the secondary markets, which resulted in institutional activity being kept to a minimum, and achieving our budgetary targets proved an impossible task.

Throughout 2021, regular checks on employees continued, as in 2020, with extreme caution being exercised with those showing the slightest COVID-19 related symptoms.

The year went from better to worse, and from February onwards we fell far short of the revenues that were targeted in most months. The ECB's activity, which affects the markets so much in the brokerage areas, was much higher than our capacity to act. As a result, we were forced to adjust our workforce to the operation. Even with this handicap, we believe that we have done a good job in each of the company's areas and have reaffirmed our leadership in Spain in practically all the services we offer.

We should also highlight the growth of our OTF, maintaining our position as one of the few trading centers not based in London, which makes us a benchmark for institutional trading in continental Europe.

The financial crisis and tight regulation continue to limit the activity of European banks. Moreover, interest rates at historic lows have reduced position-taking activity in banks, as evidenced by the revenues and results of our competitors as a whole, to the extent that we are aware of these data.

For our part, we continue to have a very high market share, which is what allowed us to make a profit in 2021.

By business areas, growth was impossible in the short-term areas, even though we maintained a significant market share and continued to improve in the markets where we were worst positioned.

We maintained our commitment to a greater presence in the OTC derivatives market.

Our volume and revenues in the government bond market were weighed down by the ECB's actions, since its presence, as we said earlier, always leads to greater illiquidity in the market.

The energy derivatives area's operations were in line with those of recent years, in which we continue to try to open up new markets and new products.

Lastly, the interest rate derivatives area did not stand out for its level of activity, while maintaining the capacity of our futures terminal in terms of speed of execution and flexibility, seeking a presence with new clients and differential services.

In addition, in 2021 we continued to work on our Business Innovation area, with which we aim to be closer to our customers in terms of technological developments and support for any needs they may have.

Finally, in June 2021, we will start activity on the new electronic platform CIMD e-pit, our first foray into electronic markets as a complement to voice.

INTERMONEY VALORES, SV, SA

In 2021, credit spreads remained at minimum levels, making it difficult for Corporate Fixed Income to add value to the investment spectrum. Market intervention by the ECB and the delay in any buy-side investment decision in the face of the constant message of possible rate hikes to combat inflation, which is less temporary than expected, have made our role in the institutional distribution of fixed income difficult in 2021.

In fixed income, investors had to go all the way to the 2029 maturity in the Treasury to find positive yields with a 10-year at average levels of 0.40%. The logical consequence of this environment is that portfolios were over-liquid for most of the year and, within the scarce investment in corporate fixed income, primary commercial paper was the product of choice for investors.

We have continued to fight against the "best price" as the only driver, defined in Mifid II as "best execution" in a titanic struggle to demonstrate not only the difference between best price and best execution but also to demonstrate the value that the idea or proposal of intermediation can often bring.

Teleworking has been a negative factor for our intermediation activity, leading to a more passive role of management to the detriment of commercial activity and brainstorming.

Despite its attractiveness, Spanish equities suffered the only fall in volume (-12.39% in 2021 compared to 2020) of all the stock markets in our environment, although its benchmark index rose 4.92%, in line with the rises in other European indices.

The commoditisation of analysis (unbundling in the Mifid II regulation) keeps this business unit as necessary and non-monetisable and is a structural cost centre, making the weight of the structure on the generation capacity so high.

The weight of turnover in the domestic stock market in relation to our total is now 23% (coming from levels of 40% years ago) and passive management via ETFs has been a determining factor in hindering the area's profitability.

For 2022, in Fixed Income we maintain our objective of maintaining and increasing client-client operations, while trying to change the mix of client profiles towards those where the contribution of value can be executed and, therefore, monetised. With a clear focus on mutuals, private banks, family offices and insurance companies.

In equities, the diversification of the product under analysis, the placement capacity to be present in the primary market and the expected consolidation of the sector should bring us closer to a break even in this activity.

CIMD (DUBAI), LTD

In 2021, our management performance in the Dubai subsidiary has been reasonable, achieving and exceeding our budgeted targets.

We have continued to work on expanding our presence with more clients in the MENA region, although this has remained difficult due to the inability to travel to present our services to these potential new clients.

Still, a reasonably smooth operation in supranational fixed income bonds and European government bonds has allowed us to achieve interesting results. It is important for us to maintain our search for new clients, focusing on coverage from Dubai to sovereign wealth funds and central banks in the geographic area.

In this regard, it is worth highlighting the incorporation of an employee of Kenyan origin to try to develop relations with countries in Central and Southern Africa.

We also received the relevant authorisation at the end of May to expand our services to offer wealth advisory services to non-institutional clients, starting a new line of business in Dubai with the hiring of a team during the second half of the year, which we hope will begin to bear fruit in 2022.

Commodity prices, especially oil, are the main source of revenue for our clients in the region, and this has undoubtedly been one of the reasons why we have been able to beat our targets in 2021.

IM GESTÃO DE ATIVOS, SGOIC, SA (IMGA)

In a challenging socio-economic context, IM Gestão de Ativos, SGOIC, SA (IMGA) has once again recorded a very significant growth of its activity in 2021.

The recovery of the financial markets and the increase in the number of subscriptions in investment funds have allowed IMGA to exceed 4.3 billion euros in assets under management, reinforcing its position as the largest independent asset management company in Portugal and confirming its position as an important reference in the Iberian Peninsula.

Within the scope of its Strategic Plan, IMGA has strengthened its offer of Private Equity Funds, with 4 Funds in the placement phase and 2 Funds in the final phase of registration with the Portuguese Securities and Exchange Commission (CMVM). The distribution network has also been expanded, with 8 marketing entities as of 2022.

We must also highlight a significant investment in systems to address the new legislative changes introduced in 2021 in terms of sustainability and ESG criteria. In addition, we have reinforced the internal and control procedures that allow us to continuously monitor the risks of the Management Company and the managed funds.

INTERMONEY GESTIÓN, SGIIC, SA

Intermoney Gestión SGIIC ended 2020 with 109 million euros under management and ended 2021 with 206 million euros under management. On 12 February, the funds Avance global FI (21 million euros) and High Rate FI (31.7 million euros), transferred from Santa Lucía Asset Management, joined the management company. Also, on 19 February, Tucana de Inversiones (3.8 million euros) was reincorporated as a SICAV, as in July 2020 the CNMV cancelled the registration of this CIS as a SICAV. Lastly, in the Private Equity Fund, Lynx Renovables Iberia FCR, commitments increased by 15 million euros.

In terms of subscriptions and redemptions in the Mutual Funds, the trend of 2020 was confirmed, with net redemptions in all the funds in the traditional range and net subscriptions in the imdi range (4.3 million euros). Avance Multiactivos FI recorded net subscriptions of 5.2 million euros this year. In the case of Intermoney Variable Euro FI, redemptions of 3.5 million euros were offset by the revaluation effect, as in Intermoney Gestión Flexible FI, which partially offset the 994 thousand euros of redemptions with a revaluation effect of 625 thousand euros. In Intermoney Attitude FI, the revaluation effect barely moderates the effect of redemptions (1.14 million euros).

INTERMONEY TITULIZACIÓN, SGFT, SA

In 2021 the company, in a still unstable global environment due to the crisis caused by Covid-19, completed 9 new securitisation operations (2 of them in jurisdictions outside Spain (Portugal and Ireland) with various types of assets. In addition, a programme was renewed and converted to STS and several issues of promissory notes were made from the invoice funds currently managed by the company. Despite the high number of transactions in the year, the redemption of 7 funds is also noteworthy, which reduces the net growth.

The Funds set up in 2021 represent the consolidation of the trend started in 2018, in which the type of assets grouped in the Funds has been expanding, while the weight of traditional banking assets (mortgages and loans to SMEs) has been decreasing. The new funds set up in 2021 include loans guaranteed by mutual guarantee companies, consumer loans, personal loans, credit cards, maintenance contracts, direct lending and an operation, with a guarantee from the European Investment Fund, aimed at co-financing a lending platform.

In addition, two existing funds were modified and extended. In addition, the company continues to provide calculation agent services to securitisation vehicles incorporated in Ireland and to carry out the agency functions of an escrow account for a vehicle in Luxembourg.

The following is a list of the operations completed during the year:

- IM BCC CAJAMAR PYME 3. Securitisation Fund grouping Credit Rights derived from loans to SMEs and the self-employed for an amount of 1,000 million euros.

- AQUISGRÁN: Securitisation fund in MARF that pools credit rights derived from loans guaranteed by Mutual Guarantee Societies (Sociedades de Garantía Recíproca, SGR), for an amount of 150 million euros.

- COLUMBUS MASTER CREDIT CARDS. Open-ended securitisation fund backed by credit claims arising from credit cards issued by Carrefour for up to 2 billion euros. Renewal of the programme and conversion to STS.

- AUTONORIA SPAIN 2021. Open securitisation fund backed by credit rights derived from self-granted loans granted by Cetelem in the amount of 1 billion euros.

- SECUCOR FINANCE 2021-1, DAC. Open-ended vehicle set up in Ireland that pools credit rights derived from consumer finance (credit cards) assigned by Financiera El Corte Inglés, for up to 3,5 billion euros.

- VIRIATO FINANCE Nº1. Open-ended vehicle incorporated in Portugal that groups together credit rights derived from consumer loans granted by Wizink, amounting to 150 million euros.

- SACYR GREEN ENERGY MANAGEMENT. Securitization Fund in MARF grouping credit rights derived from Maintenance Contracts, amounting to 104 million euros.

- NB EPF FT. Private vehicle for pooling financing instruments to large companies from different jurisdictions up to 5 billion euros.

- GEDESCLUB. Open-ended securitisation fund, guaranteed by the EIF, to co-finance a platform loan of up to 100 million euros.

Since 2004 (the year it started its activity), Intermoney Securitisation has set up a total of 124 Securitisation Funds and 2 Banking Asset Funds, with a total amount of more than 122 billion euros. As at 31 December 2021, it provided administration services to a total of 41 securitisation funds and vehicles in other jurisdictions, with an outstanding balance at that date of approximately 29 billion euros.

INTERMONEY, SA

In 2021, the company's focus has been on making the projects we have worked on profitable, eliminating inefficiencies and maximising the use of available resources. This situation has led to a higher staff turnover which has helped to alleviate the cost burden, although, due to the timing of departures, not to a sufficient extent to balance the income statement.

During 2021 we continued to strengthen our presence in some of the company's traditional clients, although the merger of Caixa and Bankia had a particular impact on us as it halted the pace of contracting that we had maintained with Bankia in the past. The quality of projects has continued to improve little by little, although their profitability is still insufficient.

On the partnership side, we continued to work with Moody's on commercial actions for the sale of its ALM tool, although no contract has yet materialised. On the other hand, we have a collaboration agreement with Everis for the development of a planning and management tool applicable to companies in different areas of activity. In addition, we have established a partnership with QVAN, owner of an ESG reporting tool, for its commercialisation.

Intermoney's analysis department continues to be a benchmark for financial and economic opinion at national and international level. In this respect, it contributes with its forecasts to the ECB's panel of experts on the European economy and to the Funcas panel on the Spanish economy.

As part of its functions, the analysis area has continued to produce macroeconomic reports and studies and to maintain its presence in the media by writing articles that have been published in economic journals and specialised publications.

In addition, it has continued its collaboration with the development of the CIR platform, which brings together all the reports produced by the Group, providing its Macro reports and providing commercial support to the different Group companies, participating in visits to clients and in events for which they have been required.

The reduction of the business portfolio has forced us to reduce our staff from 20 consultants at the end of 2020 to 12 at the end of 2021. The idea we maintain is only to increase the number of consultants depending on the new projects we commit to.

INTERMONEY VALORA CONSULTING, SA

Intermoney Valora Consulting continued to grow in 2021 against a backdrop of a gradually normalising economy following the atypical year 2020. As in the previous year, the adaptation to the teleworking environment was successfully maintained, enabling the provision of services in a timely and efficient manner.

All the company's areas of activity have evolved positively, although it is worth highlighting the growth of services for private equity entities: Risk Control Units, Regulatory Compliance, Internal Audit and Valuation within the scope of the AIFMD Directive. Our traditional activity of valuation of financial instruments continued to grow with the incorporation of new clients and the consolidation of services for alternative investment funds. In terms of forensic activities, activity has fully recovered following the reopening of the courts, in addition to the provision of services in the field of arbitration. Also noteworthy in 2021 was the winning of new contracts from the FROB through competitive tendering.

The outlook for 2022 for the company's different areas of activity is one of continued growth, based on the growing demand for the services offered, as well as on improving the already high operational efficiency. In 2022, the company should continue to benefit from the loyalty of its traditional clients, as well as from its potential to expand the provision of valuation, risk management, consulting and forensic services.

WIND TO MARKET, SA

The year 2021 will once again see events never seen before in the European and global environment. First, the rise in the price of greenhouse gas emission allowances in Europe anticipated the rise in electricity prices and the replacement of coal-fired generation with natural gas. Secondly, the global revival in demand for natural gas and declining European production began to put pressure on the price of this fuel last summer and, as a result, on the price of electricity throughout the European Union. As the year progressed, the situation became more complicated with political tensions over the use of pipelines exporting gas from Russia to Europe, with the Ukraine pipeline no longer being used and the start-up of Nord Stream 2, which directly connects Russia and Germany, being delayed, raising fears about gas supplies in northern Europe in the event of a very cold winter. This put further pressure on gas and electricity prices at the end of the year.

The energy price rises have forced the nation's government to take tax relief measures for consumers, such as reducing electricity tax and VAT on energy for domestic consumers, reducing the charges applied to all consumers and reducing the revenue from the sale of energy in the market for some generation plants. The price increase has affected many marketers, with increasing liquidity needs, who have had to close or sell their supply portfolios to other marketers.

This increase in energy prices worldwide has also led to a rise in the prices of all raw materials, which was reflected in the 12-year energy sales auction for new renewable projects held at the end of October with an average award price 20% higher than the previous auction, held at the beginning of 2021. This has not prevented the start-up of new renewable projects in the Spanish electricity system in 2021, but it is possible that it will delay or increase the cost of projects underway in the coming years.

Representational Activity

The portfolio gradually added new large-scale photovoltaic generation facilities and medium-sized wind farms to reach almost 3,000 MW of peak installed capacity in the portfolio under management in 2021.

During the year, we have been hit by the rise in the cost of deviation from the system, which since the summer has followed the same path of increase as the price of electricity, so the margin of this activity has been severely affected.

The generalised rise in prices also affected the guarantees of origin that we intermediate between our customers and electricity retailers, which also led to an improvement in revenues.

In 2021, we finally implemented the new version of the control center system, which makes our operations more secure and reliable. We have begun working with an external supplier on the implementation of a new bid management system in the continuous intraday market, the aim of which is, firstly, to allow us to make automated adjustments to the forecasts of our entire portfolio and, secondly, to programme trading rules that improve our operations in these markets

Commercialisation Activity

Once again we have had a very difficult year in marketing. Price increases have made us lose competitiveness in our products because our objective of covering all the risk in the portfolio forces us to reflect these increases in our offers to customers. The general change in the structure and pricing of tolls and system charges for consumers from May onwards generated a lot of confusion among customers and sales slowed down before and after the change. In addition, the high volatility of the market in the last quarter of the year forced us to stop offering fixed-price supply because the market did not allow stable hedging.

Despite all of the above, energy billed to customers in 2021 increased by 30% compared to the previous year. However, the increase in delinquency, mainly due to the increase in the amount of unpaid invoices due to the price increase, has consumed the revenue that had increased due to the increase in energy billed.

Financial year 2021 results

The profit after tax of CIMD, S.A. was 5,977 thousand euros. A dividend distribution of 2,500 thousand euros will be proposed, and the remaining 3,477 thousand euros will be distributed to voluntary reserves.

Own shares

Note 14 to these financial statements details the movements in treasury shares during the financial year 2021.

Research and development and the environment

In the course of 2021, no investment in R&D has been made and CIMD, S.A. has also not made any environmental investments. Likewise, it has not been considered necessary to record any provision for environmental risks and expenses, since there are no contingencies related to the protection and improvement of the environment.

Report on risk management

Note 4 to these financial statements contains information on the Group's risk management.

Information on average period of payment to suppliers

During the 2021 financial year, the Company has not made payments that accumulate deferrals greater than those legally established other than those described in the Annual Accounts report. Likewise, at the close of the 2021 financial year, the Company has no outstanding balance that accumulates a deferment that exceeds the established legal term.

Statement of Non-Financial Information

In accordance with the provisions of Law 11/2018, of 28 December, which amends the Commercial Code, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Auditing of Accounts, the CIMD Group has prepared the Consolidated Statement of Non-Financial Information for the financial year 2021, which forms part , in accordance with article 44 of the Commercial Code of this consolidated management report and is attached as a separate document.

Post-closure developments

The conflict between Russia and Ukraine is causing, among other effects, an increase in the price of certain raw materials and the cost of energy, as well as the activation of sanctions, embargoes and restrictions towards Russia that affect the economy in general and companies with operations with and in Russia specifically. The extent to which this conflict will impact the Group's investment portfolio and the various business lines of the companies that comprise it will depend on the development of future events that cannot be reliably predicted at the date of preparation of these financial statements. In any case, despite the existing uncertainty, with the data now available, the Directors of CIMD, S.A. consider that the income statements of the different lines of business should not be significantly affected.

In addition to the foregoing, no significant subsequent events have occurred between the end of the 2021 financial year and the date of preparation of these annual accounts.

grupo cimd

Servicios de intermediación
consultoría, gestión y energía

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