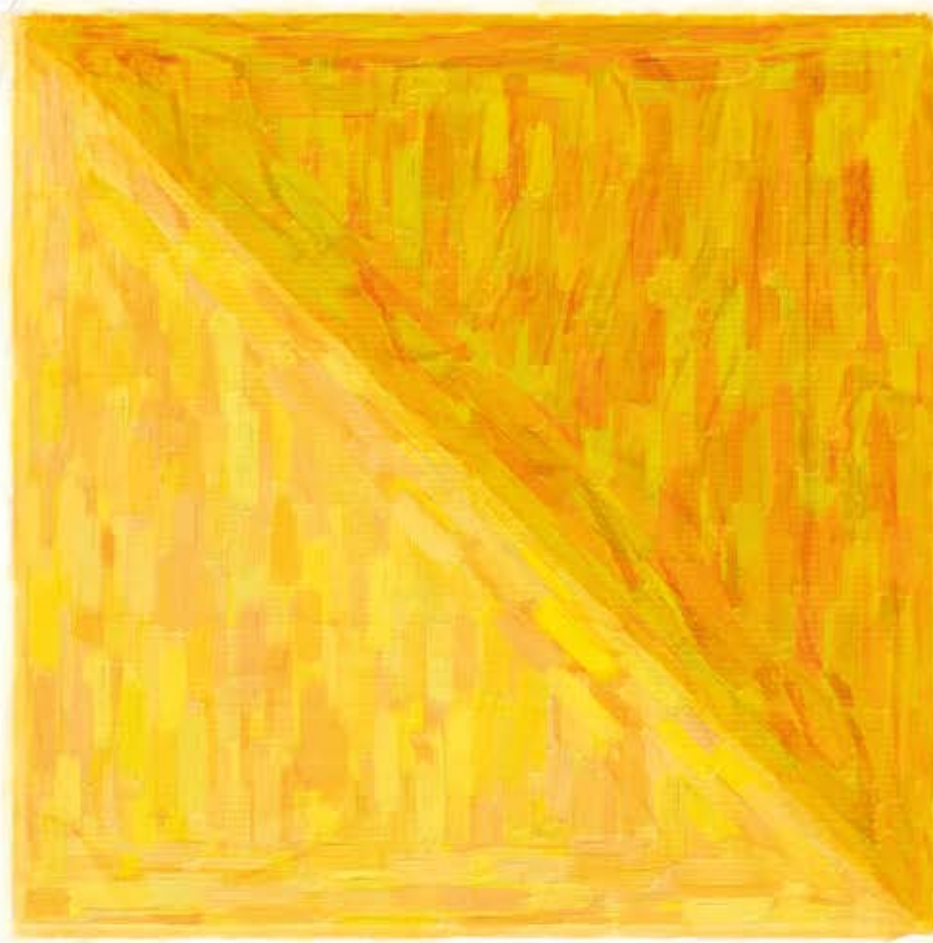


## **Intermoney Valores Sociedad de Valores S.A.**

Annual Accounts as at 31 December, 2021

Auditor's Report

Directors' Report





## **Intermoney Valores, Sociedad de Valores, S.A.**

Auditor's Report,  
Annual accounts as at 31 December, 2021  
and Director's Report 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 annual accounts***

To the shareholders of Intermoney Valores, Sociedad de Valores, S.A.:

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### **Opinion**

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We have audited the annual accounts of Intermoney Valores, Sociedad de Valores, S.A. (the Company), 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 for the year then ended.

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

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### **Basis for opinion**

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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 annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the 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.

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### **Most relevant aspects of the audit**

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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 annual accounts of the current period. These risks were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.



Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit
<p data-bbox="279 481 734 537"><b>Recognition of income from brokerage commissions</b></p> <p data-bbox="279 571 853 660">The recording of brokerage commissions for the purchase and sale of financial instruments is the Company's main source of income.</p> <p data-bbox="279 689 837 779">The processing of equity orders is especially relevant both in foreign markets and in national secondary markets.</p> <p data-bbox="279 808 845 929">Likewise, as detailed in Note 1 of the report, the Company provides various financial advisory services, as well as asset placement and emission assurance.</p> <p data-bbox="279 958 845 1108">We consider the recognition of income from brokerage commissions to be a relevant aspect of the audit due to the representativeness of the balance of the heading on the profit and loss account.</p> <p data-bbox="279 1137 774 1198">See Note 21 of the Annual Accounts as of December 31, 2021.</p>	<p data-bbox="885 571 1460 660">Our work has focused on the analysis, evaluation and verification of internal control, as well as on detailed tests.</p> <p data-bbox="885 689 1460 810">Regarding the internal control system, we have proceeded to understand the intermediation process of the main types of financial operations with which the Company works.</p> <p data-bbox="885 840 1444 900">Additionally, we have carried out detailed tests consisting of:</p> <ul data-bbox="885 929 1460 1680" style="list-style-type: none"><li data-bbox="885 929 1460 1041">• Confirmation of the balances held in cash accounts in financial institutions and verification of the corresponding bank reconciliations.</li><li data-bbox="885 1075 1460 1135">• Verification of settlement for a sample of invoices issued.</li><li data-bbox="885 1169 1460 1258">• Verification of the income recorded by the advisory services by reviewing a sample of operations.</li><li data-bbox="885 1292 1460 1382">• Re-execution of the calculation of provisions for insolvency of those clients that present defaults.</li><li data-bbox="885 1415 1460 1527">• Verification of compliance with the maximum rates detailed in the rate included on the CNMV website in the case of retail clients.</li><li data-bbox="885 1561 1460 1680">• Our work also included checking the absence of unusual entries on the accounting accounts in which this income is recorded.</li></ul> <p data-bbox="885 1709 1460 1823">No differences, above a reasonable range, have been identified in the tests described above regarding the recognition of income from commissions of the Company.</p>

Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit
<p><b>Revenue recognition from Matched Principal operations</b></p> <p>As indicated in Note 1 of the report, the Company's activity focuses, among others, on trading on its own account.</p> <p>The process of intermediation of fixed-income financial instruments carried out by the Company is carried out through the main Matched operation, which consists of the purchase of securities for its own account once it has been agreed to sell them to a third party.</p> <p>This intermediation process is highly automated, involving different IT applications and different departments.</p> <p>We focus on the recognition of income from the main Matched transaction due to its significance in the income statement and the high volume of transactions carried out by the Company during the year.</p> <p>See Notes 6 and 23 of the Annual Accounts as of December 31, 2021.</p>	<p>Our work has focused on the analysis, evaluation and verification of internal control, as well as on detailed tests.</p> <p>Regarding the internal control system, we have proceeded to understand the process of intermediation of fixed income for own account.</p> <p>Additionally, we have carried out detailed tests consisting of:</p> <ul style="list-style-type: none"> <li>• Verification of the correct accounting record of income for a sample of transactions, verifying their existence, accuracy and accrual.</li> <li>• Verification of the correct settlement for a sample of purchase and sale operations, respectively.</li> <li>• Our work also included checking the absence of unusual entries on the accounting accounts in which this income is recorded.</li> </ul> <p>No differences, above a reasonable range, have been identified in the tests described above regarding the recognition of income from financial operations on the Company's own account.</p>

**Other information: Management report**

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

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the management report and the annual accounts as a result of our knowledge of the entity obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of the 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 in the previous paragraph, the information contained in the management report is consistent with that contained in the annual accounts for the 2021 financial year, and its content and presentation are in accordance with the applicable regulations.

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**Responsibility of the directors for the annual accounts**

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

In preparing the annual accounts, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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**Auditor's responsibilities for the audit of the annual accounts**

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Our objectives are to obtain reasonable assurance about whether the 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 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 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.





Intermoney Valores, Sociedad de Valores, S.A.

- Conclude on the appropriateness of the 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity'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 entity's directors, we determine those risks that were of most significance in the audit of the 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.

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PricewaterhouseCoopers Auditores, S.L. (S0242)

Javier Pato Blázquez (22313)

12 April 2022



# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

## BALANCE SHEET AT 31 DECEMBER 2021

(Expressed in Euros)

ASSETS	Notes	2021	2020 (*)
1. Cash and cash equivalents	5	<b>1 148 771.77</b>	<b>2 780 769.60</b>
1.1. Cash on hand		674.20	630.44
1.2. Bank of Spain and other central banks c/a.		1 148 097.57	2 780 139.16
2. Loans to financial intermediaries	8	<b>62 127 235.19</b>	<b>26 682 138.72</b>
2.1. Overnight deposits		56 630 195.03	23 278 638.49
2.2. Claims on own-account operations to be settled		99 481.98	719 438.48
2.3. Deposits with agreed maturity		-	-
2.4. Reverse repurchase agreements		-	-
2.5. Other claims		5 396 989.62	2 657 859.71
2.6. Doubtful assets		25 957.79	51 591.27
2.7. Valuation adjustments: (+/-)		(25 389.23)	(25 389.23)
3. Credit to individuals	9	<b>7 046 052.57</b>	<b>6 693 694.96</b>
3.1. Cash credit for deferred cash purchases		-	-
3.2. Credit and advances in respect of securities transactions		-	-
3.3. Other credits and advances		7 038 717.25	6 682 108.94
3.4. Reverse repurchase agreements		-	-
3.5. Doubtful assets		-	-
3.6. Valuation adjustments: (+/-)		7 335.32	11 586.02
4. Debt securities	6	<b>1 234 370.72</b>	<b>4 511 321.09</b>
4.1. Monetary assets and government debt securities		1 234 370.72	4 511 321.09
4.2. Other debt securities domestic portfolio		3 000.00	3 000.00
4.3. Debt securities foreign portfolio		-	-
4.4. Hybrid financial instruments		-	-
4.5. Doubtful assets		-	-
4.6. Valuation adjustments: (+/-)		( 3 000.00)	(3 000.00)
5. Past due investments receivable		-	-
6. Shares and participating interests	7	<b>2 219 493.41</b>	<b>1 948 981.18</b>
6.1. Shares and participating interests domestic portfolio		2 219 493.41	1 948 981.18
6.2. Shares and participating interests external portfolio		-	-
6.3. Participating interests:		-	-
Impairment losses on shares and participating interests (-)		-	-
7. Derivatives		-	-
7.1. Trading derivatives		-	-
7.2. Hedging derivatives		-	-
8. Pension-linked insurance contracts		-	-
9. Tangible assets	10	<b>95 631.81</b>	<b>136 053.71</b>
9.1. For own use		95 631.81	136 053.71
9.2. Investment property		-	-
9.3. Property, plant and equipment held for sale		-	-
9.4. Impairment of tangible fixed assets (-)		-	-
10. Intangible assets	11	<b>43 134.75</b>	<b>43 414.08</b>
10.1. Goodwill		-	-
10.2. Computer software		43 134.75	43 414.08
10.3. Other intangible assets		-	-
10.4. Impairment of intangible fixed assets (-)		-	-
11. Tax assets	17	<b>23 400.24</b>	<b>23 400.24</b>
11.1. Current assets		23 400.24	23 400.24
11.2. Deferred		-	-
12. Accruals and deferrals	14	<b>111 378.53</b>	<b>114 166.50</b>
12.1. Commissions and expenses paid but not accrued		111 378.53	114 166.50
12.2. Other accruals and deferrals		-	-
13. Other assets	13	<b>9 533.42</b>	<b>38 884.88</b>
13.1. Taxes receivable from public authorities		825.00	825.00
13.2. Shareholders for called-up capital payments		-	-
13.3. Other		8 708.42	38 059.88
<b>TOTAL ASSETS</b>		<b>74 059 002.41</b>	<b>42 972 824.96</b>

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

# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

## BALANCE SHEET AT 31 DECEMBER 2021

(Expressed in Euros)

LIABILITIES AND EQUITY	Notes	2021	2020 (*)
1. Payable to financial intermediaries	12	<b>50 866 055.62</b>	<b>20 990 289.83</b>
1.1. Loans and receivables		-	-
1.2. Debts for own-account transactions to be settled		-	15 912.82
1.3. Reverse repurchase agreements		-	2 370 761.03
1.4. Transitional balances arising from securities transactions		1 241 800.51	254 645.85
1.5. Other liabilities		49 618 451.55	18 345 504.15
1.6. Valuation adjustments: Accrued interest receivable (+)		5 803.56	3 465.98
2. Debts owed to private individuals	12	<b>5 321 388.60</b>	<b>2 998 613.52</b>
2.1. Reverse repurchase agreements		-	-
2.2. Transitional balances related to securities transactions		4 888 728.60	2 577 885.13
2.3. Other payables		432 660.00	420 728.39
2.4. Valuation adjustments: accrued interest receivable not yet due		-	-
3. Cash collateral in respect of transactions		-	-
3.1. Market lending transactions		-	-
3.2. Other deposits		-	-
4. Securities credit to the market for deferred spot sales		-	-
5. Short sales and securities borrowing liabilities		-	-
5.1. Short positions arising from short sales of securities		-	-
5.2. Sales of securities borrowed or lent as collateral		-	-
Valuation adjustments: accrued interest and other charges not yet due (+)		-	-
6. Other liabilities at fair value through equity		-	-
7. Derivatives		-	-
7.1. Trading derivatives		-	-
7.2. Hedging derivatives		-	-
8. Borrowings		-	-
9. Subordinated liabilities		-	-
10. Provisions for liabilities		-	-
10.1. Provisions for pensions and similar obligations		-	-
10.2. Provisions for taxes		-	-
10.3. Provisions for transactions with payments based on equity instruments		-	-
10.4. Provisions for other risks		-	-
11. Tax liabilities		-	-
11.1. Current		-	-
11.2. Deferred		-	-
12. Liabilities associated with non-current assets held for sale		-	-
13. Accruals and deferrals	14	<b>1 152 546.93</b>	<b>1 006 187.48</b>
13.1. Commissions and other income collected and not accrued		-	-
13.2. Accrued expenses not due for payment		1 150 046.97	1 002 687.51
13.3. Other accruals		2 499.96	3 499.97
14. Other liabilities	13	<b>328 071.88</b>	<b>355 623.73</b>
14.1. Public authorities		270 774.26	282 958.39
14.2. Outstanding disbursements on securities underwritings		-	-
14.3. Balances under financial leasing transactions		-	-
14.4. Other liabilities not related to securities transactions		57 297.62	72 665.34
15. Capital in the nature of financial liabilities		-	-
<b>TOTAL LIABILITIES</b>		<b>57 668 063.03</b>	<b>25 350 714.56</b>

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

# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

## BALANCE SHEET AT 31 DECEMBER 2021

(Expressed in Euros)

LIABILITIES AND EQUITY	Notes	2021	2020 (*)
16. Shareholders' equity	15	<b>16 390 939.38</b>	<b>17 622 110.40</b>
16.1. Share capital		15 000 000.00	15 000 000.00
16.2. Share premium		-	-
16.3. Reserves		3 000 000.00	3 000 000.00
16.4. Own securities (-)		-	-
16.5. Profit/(loss) from previous years (+/-)		( 377 889.60)	(357 965.56)
16.6. Other members' contributions		-	-
16.7. Result for the year (+/-)		(1 231 171.02)	( 19 924.04)
16.8. Dividends and remunerations (-)		-	-
16.9. Other equity instruments		-	-
17. Valuation adjustments in equity (+/-)		-	-
17.1. Financial assets at fair value with changes in equity (±)		-	-
17.2. Cash flow hedges (+/-)		-	-
17.3. Hedges of net investments in foreign operations (+/-)		-	-
17.4. Exchange rate differences (+/-)		-	-
17.5. Remaining valuation adjustments (+/-)		-	-
18. Grants, donations and legacies received		-	-
<b>TOTAL EQUITY</b>		<b>16 390 939.38</b>	<b>17 622 110.40</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>74 059 002.41</b>	<b>42 972 824.96</b>

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

# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

## BALANCE SHEET AT 31 DECEMBER 2021

(Expressed in Euros)

RISK AND COMMITMENT ACCOUNTS	Notes	2021	2020 (*)
1. Guarantees and sureties given	18	4 721 415.00	3 667 325.71
1.1. Participation in collective guarantees		-	-
1.2. Assets assigned to own or third-party guarantees		4 721 415.00	3 667 325.71
1.3. Risks arising from derivatives contracted on behalf of third parties		-	-
1.4. Other		-	-
2. Other contingent liabilities		-	-
3. Loaned own securities		-	-
3.1. Government debt securities		-	-
3.2. Other fixed-income securities		-	-
3.3. Shares and participating interests		-	-
4. Forward commitments to purchase securities		-	-
4.1. Monetary assets and government debt securities		-	-
4.2. Other debt securities		-	-
4.3. Shares and participating interests		-	-
5. Commitments to sell securities with agreed maturity		-	-
5.1. Monetary assets and government debt securities		-	-
5.2. Other debt securities		-	-
5.3. Shares and participating interests		-	-
6. Commitments on underwriting of issues		-	-
6.1. Debt securities		-	-
6.2. Shares and participating interests		-	-
7. Own orders on securities pending execution		-	-
7.1. Purchase orders		-	-
7.2. Sell orders		-	-
8. Financial derivatives	18	1 402 633.93	1 176 504.64
8.1. Forward contracts on financial assets		-	-
8.2. Purchase and sale of contracted and unmatured foreign currencies		-	-
8.3. Financial Futures on securities and interest rates		1 402 633.93	1 176 504.64
8.4. Other interest rate transactions		-	-
8.5. Financial futures on foreign exchange		-	-
8.6. Options on securities or indices		-	-
8.7. Interest rate options		-	-
8.8. Currency options		-	-
8.9. Other contracts (non-financial underlying, etc.)		-	-
9. Securities lending to the market		-	-
9.1. Own securities		-	-
9.2. Customer securities		-	-
10. Credit granted to customers in respect of securities transactions		-	-
10.1. Credit drawn down		-	-
10.2. Credit available		-	-
11. Assets purchased in own name on behalf of third parties		-	-
12. Other risk and commitment accounts		-	-
<b>TOTAL RISK AND COMMITMENT ACCOUNTS</b>		<b>6 124 048.93</b>	<b>4 843 830.35</b>

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

# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

## BALANCE SHEET AT 31 DECEMBER 2021

(Expressed in Euros)

RISK AND COMMITMENT ACCOUNTS	Notes	2021	2020 (*)
<b>OTHER OFF-BALANCE SHEET ITEMS</b>			
1. Unconditional cash on demand at credit institutions	18	<b>5 000 000.00</b>	<b>5 000 000.00</b>
2. Customer orders to purchase securities pending settlement	18	<b>382 424.44</b>	<b>31 382.64</b>
2.1. With Sociedad de Sistemas		382 424.44	31 382.64
2.2. With MEFF		-	-
2.3. With other financial intermediaries		-	-
3. Client orders for the sale of securities pending settlement	18	<b>414 442.06</b>	<b>4 116.29</b>
3.1. With the Sociedad de Sistemas		414 442.06	4 116.29
3.2. With MEFF		-	-
3.3. With other financial intermediaries		-	-
4. Deposits of financial instruments (market value)	18	<b>1 470 604 109.26</b>	<b>2 834 158 882.68</b>
4.1. Own		-	29 238.97
4.2. From third parties		1 470 604 109.26	2 834 129 643.71
4.3. Received from other depository institution		-	-
5. Own and third-party financial instruments held by other institutions (market value)	18	<b>8 063 973.88</b>	<b>7 086 580.72</b>
5.1. Own		8 063 973.88	7 086 580.72
5.2. Third-party		-	-
6. Securities lending received		-	-
6.1. Securities sold		-	-
6.2. Securities sold under repurchase agreements		-	-
6.3. Available securities		-	-
7. Managed portfolios	18	<b>26 465 737.53</b>	<b>21 695 398.18</b>
7.1. Invested in listed domestic equity securities		8 945 517.73	7 529 981.53
7.2. Invested in unquoted domestic equities and shares		-	-
7.3. Invested in listed domestic fixed income securities		1 745 231.09	3 085 828.85
7.4. Invested in unquoted domestic debt securities		-	-
7.5. Invested in listed external securities		14 741 632.45	10 970 002.38
7.6. Invested in unquoted foreign securities		-	-
7.7. Cash held with financial intermediaries		1 033 356.26	109 585.42
8. Collateral posted by third parties with other financial institutions for market credit to the market		-	-
8.1. Initial guarantees		-	-
8.2. Additional guarantees		-	-
9. Regularised suspense assets		-	-
10. Past-due and uncollected proceeds of doubtful assets		-	-
11. Guarantees received from customers on loans and advances to individuals		-	-
12. Other off-balance sheet items		-	-
<b>TOTAL OTHER OFF-BALANCE SHEET ITEMS</b>		<b>1 510 930 687.17</b>	<b>2 867 976 360.51</b>
<b>TOTAL OFF-BALANCE SHEET ITEMS</b>		<b>1 517 054 736.10</b>	<b>2 872 820 190.86</b>

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

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AT 31 DECEMBER 2021 (Expressed in Euros)

DEBIT	Notas	2021	2020 (*)
1. Interest payable and similar charges on financial liabilities	20	<b>68 722.97</b>	<b>54 277.27</b>
1.1. Financial intermediaries		68 722.97	54 277.27
1.2. Resident individuals		-	-
1.3. Non-resident individuals		-	-
1.4. Borrowing and other financing		-	-
1.5. Subordinated liabilities		-	-
1.6. Adjustment of hedging costs		-	-
1.7. Pension fund interest costs		-	-
1.8. Remuneration of capital that is a financial liability		-	-
1.9. Other interest		-	-
2. Commissions and brokerage fees paid	22	<b>1 585 108.89</b>	<b>1 671 716.68</b>
2.1. Securities transactions		1 087 786.77	1 141 493.83
2.2. Derivative transactions		2 700.00	10 500.00
2.3. Underwriting and placement of issues		-	-
2.4. Fees and commissions paid to markets and settlement clearing systems		-	-
2.5. Guarantees corresponding to the collective guarantee to the market		-	-
2.6. Fees paid to agents and other entities		486 944.16	518 122.85
2.7. Other fees and commissions		7 677.96	1 600.00
3. Losses on financial investments	23	<b>427 988.85</b>	<b>697 046.09</b>
3.1. Monetary assets and government bonds		-	-
3.2. Other fixed-income securities domestic portfolio		8 716.11	3 847.94
3.3. Other fixed-income securities foreign portfolio		-	-
3.4. Shares and participating interests Domestic portfolio		74 891.89	354 584.42
3.5. Equities foreign portfolio		-	-
3.6. Trading derivatives		344 380.85	338 613.73
3.7. Negative net difference on short sales of fixed-income securities and borrowed		-	-
3.8. Negative net difference on sale of uncovered and borrowed shares and participating interests		-	-
3.9. Losses on other assets at fair value		-	-
3.10. Write-downs of losses on hedging transactions		-	-
3.11. Other losses		-	-
4. Impairment losses on financial assets		<b>141.68</b>	<b>4 572.25</b>
4.1. Loans and receivables and other fixed-income financial assets		141.68	4 572.25
4.2. Equity instruments		-	-
5. Foreign exchange losses		<b>145 938.67</b>	<b>114 526.03</b>
6. Staff costs	24	<b>4 224 552.82</b>	<b>4 484 987.83</b>
6.1. Salaries and bonuses		3 493 119.29	3 759 751.90
6.2. Social security contributions		598 298.65	590 283.21
6.3. Provisions to internal pension funds		-	-
6.4. Contributions to external pension funds		-	-
6.5. Severance payments		29 177.38	18 823.06
6.6. Training expenses		-	-
6.7. Equity-based compensation of employees		-	-
6.8. Other staff costs		103 957.50	116 129.66
7. Overheads	25	<b>2 030 497.27</b>	<b>1 894 481.36</b>
7.1. Rental of buildings and facilities		265 801.07	264 094.16
7.2. Communications		960 772.19	901 238.77
7.3. Computer systems		-	-
7.4. Supplies		15 004.30	17 274.08
7.5. Maintenance and repair		234 643.91	241 293.67
7.6. Advertising and publicity		105 394.96	109 997.70
7.7. Representation and travel		18 009.74	25 053.41
7.8. Governing bodies (per diems, allowances, etc.)		-	-
7.9. Outsourced administrative services		-	-
7.10. Other independent professional services		269 034.55	185 460.65
7.11. Other expenses		161 836.55	150 068.92

**INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AT 31 DECEMBER 2021**

**(Expressed in Euros)**

DEBIT	Notes	2021	2020 (*)
8. Other operating charges		<b>48 500.04</b>	<b>48 500.04</b>
8.1. Contributions to the Investment Guarantee Fund		-	-
8.2. Other items		48 500.04	48 500.04
9. Contributions and taxes		<b>66 309.12</b>	<b>66 309.12</b>
10. Depreciation	<b>10 y 11</b>	<b>68 453.80</b>	<b>81 501.59</b>
10.1. Buildings for own use		-	-
10.2. Furniture, fixtures and fittings and vehicles		49 050.44	51 673.90
10.3. Investment property		-	-
10.4. Intangible assets		19 403.36	29 827.69
11. Impairment losses on non-financial assets		<b>1 375 000.00</b>	<b>76.96</b>
11.1. Tangible assets		-	-
11.2. Intangible assets		-	76.96
11.3. Other		1 375 000.00	-
12. Provisions for contingencies		-	-
12.1. Provisions for taxes		-	-
12.2. Other provisions		-	-
13. Other losses		-	-
13.1. On sale of non-financial assets		-	-
13.2. On sale of equity investments		-	-
On non-current assets held for sale		-	-
13.4. On application of the collective guarantee to the market		-	-
13.5. Other losses		-	-
14. Income tax for the period	<b>17</b>	<b>(407 492.88)</b>	<b>(6 063.76)</b>
15. Profit from discontinued operations		-	-
16. Net result (+/-)		<b>(1 231 171.02)</b>	<b>(19 924.04)</b>



# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED AT 31 DECEMBER 2021

(Expressed in Euros)

CREDIT	Notes	2021	2020 (*)
1. Interest, dividends and similar income from financial assets	<b>20</b>	<b>72 015.07</b>	<b>82 584.35</b>
1.1. Bank of Spain		-	-
1.2. Financial intermediaries		-	-
1.3. Resident individuals		-	-
1.4. Non-resident individuals		-	-
1.5. Monetary assets and government debt		-	-
1.6. Other fixed income securities		-	-
1.7. Foreign fixed income portfolio		-	-
1.8. Dividends on stocks and shares		-	-
1.9. Rectification of hedging products		-	-
1.10. Proceeds from insurance contracts linked to pensions and similar obligations		-	-
1.11. Other interest and income		72 015.07	82 584.35
2. Commissions received	<b>21</b>	<b>4 930 304.56</b>	<b>5 093 798.27</b>
2.1. Processing and execution of customer orders for the purchase and sale of securities		3 689 403.79	3 840 600.35
2.2. Underwriting and placement of issues		61 598.53	47 379.86
2.3. Marketing of collective investment institutions		426 563.90	355 800.40
2.4. Deposit and book-entry of securities		93 331.17	65 581.15
2.5. Portfolio management		118 856.01	132 868.95
2.6. Investment advisory services		58 690.21	60 476.16
2.7. Sourcing and placement of packages of securities on secondary markets		-	-
2.8. Systematic internalisation of orders		-	-
2.9. Brokerage of derivative instruments		-	-
2.10. Fees for market lending transactions		-	-
2.11. Fees for the preparation of investment reports and financial analysis		150 966.20	88 849.93
2.12. Other fees		330 894.75	502 241.47
3. Gains on financial investments	<b>23</b>	<b>3 247 614.33</b>	<b>3 838 977.47</b>
3.1. Monetary assets and government bonds		-	-
3.2. Other fixed-income securities domestic portfolio		2 818 389.92	3 157 582.00
3.3. Other fixed-income securities foreign portfolio		-	-
3.4. Shares and participating interests Domestic portfolio		345 204.12	359 090.97
3.5. Equities foreign portfolio		12 477.02	26 740.55
3.6. Trading derivatives		71 543.27	295 563.95
3.7. Net negative difference on sale of debt securities short and borrowed		-	-
3.8. Negative net difference on sale of shares and other equity securities shorted and borrowed		-	-
3.9. Gains on other assets at fair value		-	-
3.10. Adjustments to gains on hedging transactions		-	-
3.11. Other gains		-	-
3.12. Negative difference in business combinations		-	-
4. Impaired financial asset recoveries		<b>141.68</b>	<b>104.00</b>
4.1. Loans and receivables and other fixed-income financial assets		141.68	104.00
4.2. Equity instruments		-	-
5. Foreign exchange gains		<b>152 471.48</b>	<b>76 404.18</b>
6. Other operating income		-	-
7. Impaired non-financial asset write-downs		-	-
7.1. Property, plant and equipment		-	-
7.2. Intangible assets		-	-
7.3. Other		-	-
8. Recovery of provisions for contingencies		-	-
8.1. Provisions for taxes		-	-
8.2. Other provisions		-	-
9. Other gains		<b>3.09</b>	<b>139.15</b>
9.1. On sale of non-financial assets		-	-
9.2. On sale of equity investments		-	-
9.3. On non-current assets held for sale		-	-
9.4. On recovery of losses on the collective guarantee to the market		-	-
9.5. Other gains		3.09	139.15
10. Gains from discontinued operations		-	-

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

**INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

**a) Statement of recognised income and expense**

	<u>2021</u>	<u>2020(*)</u>
Profit for the year (Notes 14 and 15)	<b>(1 231 171.02)</b>	<b>(19 924.04)</b>
Other recognised income / expense	-	-
Available-for-sale financial assets	-	-
Valuation gains / (losses)	-	-
Amounts transferred to the profit and loss account	-	-
Other reclassifications	-	-
Cash flow hedges	-	-
Valuation gains / (losses)	-	-
Amounts transferred to the profit and loss account	-	-
Amounts transferred to the initial value of hedged items	-	-
Other reclassifications	-	-
Hedges of net investments in foreign operations	-	-
Valuation gains/(losses)	-	-
Amounts transferred to the profit and loss account	-	-
Other reclassifications	-	-
Exchange gains/(losses)	-	-
Valuation gains / (losses)	-	-
Amounts transferred to the profit and loss account	-	-
Other reclassifications	-	-
Non-current assets held for sale	-	-
Valuation gains / (losses)	-	-
Amounts transferred to the profit and loss account	-	-
Other reclassifications	-	-
Actuarial gains / (losses) on pension plans	-	-
Other recognised income and expenses	-	-
Income tax	-	-
<b>Total recognised incomes and expenses</b>	<b>(1 231 171.02)</b>	<b>(19 924.04)</b>

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

# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

### b) Total statement of changes in equity

	Capital	Share premium	Reserves	Profit or loss from last year	Profit or loss for the year	Interim and approved dividends	Grants donations and legacies	Valuation adjustments	Total Net Equity
<b>Balance at 2019 year end (*)</b>	<b>15 000 000.00</b>	-	<b>3 557 649.41</b>	-	<b>(915 614.97)</b>	-	-	-	<b>17 642 034.44</b>
Adjustments for changes in criteria in 2019 and prior years (*)	-	-	-	-	-	-	-	-	-
Adjustments by corrections	-	-	-	-	-	-	-	-	-
<b>Adjusted balance, beginning 2020 (*)</b>	<b>15 000 000.00</b>	-	<b>3 557 649.41</b>	-	<b>(915 614.97)</b>	-	-	-	<b>17 642 034.44</b>
Total recognised incomes and expenses	-	-	-	-	(19 924.04)	-	-	-	(19 924.04)
<b>Other movements in equity</b>	-	-	-	-	-	-	-	-	-
Increase of other equity instruments	-	-	-	-	-	-	-	-	-
Decrease of other equity instruments	-	-	-	-	-	-	-	-	-
- Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-
Dividend payment / shareholders' remuneration	-	-	-	-	-	-	-	-	-
- Transactions in treasury shares (net)	-	-	-	-	-	-	-	-	-
- Increase (decrease) in equity resulting from business combinations	-	-	-	-	-	-	-	-	-
- Other transactions with partners or owners	-	-	-	-	-	-	-	-	-
Other increase / (decrease) in equity	-	-	(557 649.41)	(357 965.56)	915 614.97	-	-	-	-
<b>Balance at 2020 year end (*)</b>	<b>15 000 000.00</b>	-	<b>3 000 000.00</b>	<b>(357 965.56)</b>	<b>(19 924.04)</b>	-	-	-	<b>17 622 110.40</b>
Adjustments for changes in criteria in 2020 and prior years (*)	-	-	-	-	-	-	-	-	-
Adjustments by corrections	-	-	-	-	-	-	-	-	-
<b>Adjusted balance, beginning 2021</b>	<b>15 000 000.00</b>	-	<b>3 000 000.00</b>	<b>(357 965.56)</b>	<b>(19 924.04)</b>	-	-	-	<b>17 622 110.40</b>
Total recognised incomes and expenses	-	-	-	-	(1 231 171.02)	-	-	-	(1 231 171.02)
<b>Other movements in equity</b>	-	-	-	-	-	-	-	-	-
Increase of other equity instruments	-	-	-	-	-	-	-	-	-
Decrease of other equity instruments	-	-	-	-	-	-	-	-	-
- Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-
Dividend payment / shareholders' remuneration	-	-	-	-	-	-	-	-	-
- Treasury share transactions (net)	-	-	-	-	-	-	-	-	-
- Increase (decrease) in equity resulting from a business combination	-	-	-	-	-	-	-	-	-
- Other transactions with partners or owners	-	-	-	-	-	-	-	-	-
Other increase / (decrease) in equity	-	-	-	(19 924.04)	19 924.04	-	-	-	-
<b>Balance at 2021 year end</b>	<b>15 000 000.00</b>	-	<b>3 000 000.00</b>	<b>(377 889.60)</b>	<b>(1 231 171.02)</b>	-	-	-	<b>16 390 939.38</b>

# INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

	2021	2020 (*)
<b>Cash flows from operating activities (+/-)</b>	31 753 844.09	19 520 182.82
<b>Profit or loss for the year (+/-)</b> (Notes 13 and 14)	(1 231 171.02)	( 19 924.04)
<b>Adjustment to achieve cash flow from operating activities (+/-)</b>	(2 024 617.08)	( 254 975.36)
Depreciation and amortization (Note 9 and 10)	( 68 453.80)	81 501.59
Losses (net) by assets impairment (+/-) (Note 9)	(1 375 000.00)	76.96
Provisioning risk expense (net)(+/-) (Note 7)	-	4 468.25
Profit / Losses by sales of non-financial assets (+/-)	-	-
Profit /Losses by sales of interest in subsidiaries (+/-)	-	-
Other items (+/-)	( 581 163.28)	( 341 022.16)
<b>Adjusted result (+/-)</b>	(3 255 788.10)	( 274 899.40)
<b>Net increase (decrease) operating assets (+/-)</b>	2 686 219.96	2 082 337.76
Loans and receivables (+/-) (Notes 7 and 8)	( 352 357.61)	( 658 826.87)
Held for Trading (+/-) (Note 6)	3 006 438.14	2 772 316.12
Other financial assets at fair value through profit or loss	-	-
Available-for-sale financial assets (+/-) (Note 6)	-	(600.00)
Other operating assets (+/-)	32 139.43	( 30 551.49)
<b>Net increase (decrease) operating liabilities (+/-)</b>	32 323 412.23	17 712 744.46
Amortised cost financial liabilities (+/-) (Note 11)	32 198 540.87	17 199 423.41
Held for trading (+/-)	-	-
Other financial liabilities at fair value through profit or loss (+/-)	-	-
Other operating liabilities (+/-)	118 807.60	212 357.92
Collections / payments for income tax (+/-)	6 063.76	300 963.13
<b>Cash flows from financing activities (+/-)</b>	( 27 752.57)	( 45 440.15)
<b>Payments (-)</b>	( 27 752.57)	( 45 440.15)
Held-to-maturity investments (-)	-	-
Shares (-)	-	-
Tangible assets (-) (Note 9)	( 8 628.54)	( 7 834.71)
Intangible assets (-) (Note 10)	( 19 124.03)	( 37 605.44)
Other business' units (-)	-	-
Non-current assets and sales' liabilities (-)	-	-
Other payments related to investment activities (-)	-	-
<b>Collections (+)</b>	-	-
Held-to-maturity investments (+)	-	-
Shares (+)	-	-
Tangible assets (+)	-	-
Intangible assets (+)	-	-
Other business units (+)	-	-
Non-current assets and sales liabilities (+)	-	-
Other collections related to investment activities (+)	-	-
<b>Cash flows from financing activities (+/-)</b>	-	-
<b>Payments (-)</b>	-	-
Equity instruments amortizations (-)	-	-
Own equity instruments purchased (-)	-	-
Return and amortizations of bonds and others marketable securities (-)	-	-
Return and amortization of subordinated liabilities. loans and other finances received (-)	-	-
<b>Collections (+)</b>	-	-
Equity instruments issues (+)	-	-
Issue and disposal own equity instruments (+)	-	-
Bonds and other marketable securities issue (+)	-	-
Issue of subordinated liabilities, loans and other finances (+)	-	-
<b>Dividends paid and other equity instruments remuneration (-)</b>	-	-
<b>Effect of exchange rate fluctuations in cash or cash equivalents (+/-)</b>	( 6 532.81)	38 121.85
<b>Net increase/decrease in cash or cash equivalents</b>	31 719 558.71	19 512 864.52
Cash or cash equivalents at the beginning of the year (+/-) (Note 5)	26 059 408.09	6 546 543.57
Cash or cash equivalents at the end of the year (+/-) (Note 5)	57 778 966.80	26 059 408.09

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

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

#### **1. General activity and information**

Intermoney Valores, Sociedad de Valores, S.A. (hereinafter, “the Company”) was established on May 14, 1998, under the denomination of Corretaje Multi-Bolsa, Agencia de Valores y Bolsa, S.A., adopting its current denomination on 10 August 2000.

On June 5, 2000, the Ministry of Economy and Competitiveness authorised the Company to take the form of a Securities Company (“Sociedad de Valores”) and it is registered in the Spanish Stock Exchange Commission (hereinafter CNMV) with registry number 169.

The Company has its registered office in Madrid, Calle Príncipe de Vergara, nº 131, 3rd floor.

The Company's exclusive corporate purpose is the development of all activities permitted to investment services companies by articles 140 and 141 of Royal Legislative Decree 4/2015, of October 23, which approves the revised text of the Law of Stock Market. The aforementioned investment services and activities and auxiliary services will be provided on the financial instruments referred to in article 2 of the aforementioned Law. Likewise, it may carry out the activities provided above, referring to instruments not contemplated in article 2 of said Law, or other ancillary activities that involve the extension of its business, when this does not detract from the corporate purpose. These activities can be carried out both nationally and internationally.

Particularly, the company is authorized by CNMV to provide the following services according to his activities program:

#### Investment Services:

- Receiving and transmitting orders on clients in relation to one or more financial instruments.
- Execution of these orders on behalf of clients.
- Dealing on own account.
- Investment portfolio management.
- Placing of financial instruments without a firm commitment basis.
- Underwriting of financial instruments or placing of financial instruments on a firm commitment basis.
- Investment advice.

#### Additional services:

- Custody and administration on behalf of clients of the financial instruments.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

- Advising companies regarding capital structures, industrial strategies and similar matters, as well as advisory services regarding mergers and acquisitions.
- Services related to underwriting of issuing operations.
- Preparation of investment reports and financial analysis or any other form of general recommendation related to operations through financial instruments.
- Currency exchange services, whenever they are related to investment services.

#### Secondary activities:

- Receiving and transmission of orders by third parties and execution of that orders over bank deposits, insurance and capitalization products, and plans and pension funds, and cash loans.
- Advice on savings and capitalization insurance products, and plans and pension funds, and cash loans.
- Commercialization of Collective Investment Institutions and plans and pension funds.
- Reception and transmission of client orders in relation to real estate assets.
- Dealing on own account in loans and loan-related items.

On January 4, 2001, the General Direction for Treasury and Financial Policy granted the Company the status of Accountholder and Management Company with full capacity in the Public Debt market.

The Securities Companies have established the foundations of their legal system in the following legislation:

- Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Securities Market Law, amended by Royal Legislative Decree 14/2018, of 28 September.
- Royal Decree 2017/2008, of February 15, on the legal regime of investment services companies and other entities providing investment services and amending the Regulation of Law 35/2003, of 4 November, of Collective Investment Institutions, approved by Royal Decree 1309/2005, of 4 November.

Additionally, these companies are affected by various provisions that, among others, regulate the following aspects:

- They must take the form of public limited liability companies (“Sociedad Anónima”) and be exclusively engaged in the activities relating to investment service companies.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

- They must have a minimum share capital of 2,000 thousand euros.
- They must comply with minimum capital, liquidity and solvency requirements in accordance with current regulations. On 26 June 2021, Regulation (EU) 2019/2033, of 27 November 2019, on prudential requirements for investment firms, which sets out the levels of own funds to be held and the criteria to be followed for their calculation, came into force. This Regulation repeals the application of Regulation (EU) 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms for investment firms.

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.

At 31 December 2021, the Company's solvency ratio is 1,094.79% (not comparable with the 2020 figure due to the radical change in the method of calculation and requirement), which represents a surplus of 15,512 thousand euros (31 December 2020: 15,245 thousand euros). This ratio corresponds entirely to "ordinary tier 1 capital".

- They must join an Investment Guarantee Fund (called Sociedad Gestora del Fondo General de Garantía de Inversiones, S.A.) under the terms established by Royal Decree 948/2001, of 3 August, on investor compensation schemes, a fund which, in general terms, guarantees that all investors are able to recover the monetary value of their creditor position against the Company, up to a quantitative limit of 100,000 euros.
- They may only obtain financing from the financial institutions registered for this purpose with the CNMV, the Bank of Spain or the General Directorate for Insurance or in similar registers kept within other European Union countries, or from other sources only in the case of:
  - Issues of shares.
  - Subordinated financing.
  - Issue of listed securities on an official secondary market.
  - Instrumental and transitional accounts opened for customers with respect to the execution of transactions carried out on their behalf.

The Company forms part of the CIMD Group, the parent company of which is Corretaje e Información Monetaria y de Divisas, S.A. (hereinafter, CIMD, S.A.), incorporated in Madrid, which owns 99.99% of the Company's shares.



## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

#### a) Relevant events

There have been no relevant events during 2021.

#### b) Drawing up date

On 11 March 2022 the Company's Board of Directors prepared the annual accounts and Directors' report for the year ended December 31, 2021.

At the date of preparation of these annual accounts, the members of the Board of Directors are:

D. Javier de la Parte Rodríguez	Chairman
D. Emanuel Guilherme Louro da Silva	Vicepresident
Dña. Beatriz Senís Gilmartín	Member of the Board

#### c) 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	1	-	1	1	-	1
Staff	24	19	43	25	21	46
	25	19	44	26	21	47

During the years 2021 and 2020, there have not been employees with a disability equal or greater than 33%.

#### d) Branches and Representatives

As at 31 December 2021 the Company has no representatives. As at 31 December 2020 the Company had a representative in Spain, duly approved by the CNMV.

## 2. Basis of presentation of the financial statements

#### a) Regulatory financial reporting framework applicable to the Company

The accompanying annual accounts, prepared by the Company's directors, have been prepared on the basis of the Company's accounting records, having applied prevailing commercial legislation and the rules established in CNMV Circular 1/2021, of 25 March, on accounting standards, annual accounts and financial statements of Investment Services Companies and their consolidable groups, Management Companies of Collective Investment Institutions and Management Companies of Closed-Ended Entities and other mandatory rules approved by the CNMV. Where not provided for in the above rules, the General Accounting Plan approved by Royal Decree 1159/2010, of 17 September, Royal Decree 602/2016, of 2 December, and Royal Decree 1/2021,

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

of 12 January, have been applied, in force for financial years beginning on or after 1 January 2021 and their sectorial adaptations and the International Financial Reporting Standards adopted as European Commission Regulations in force, provided that they are not contrary to the above standards, in order to give a true and fair view of the Company's net worth, financial position and results of operations.

#### b) True and fair view

The accompanying annual accounts have been obtained from the Company's accounting records and have been prepared in accordance with the applicable financial reporting framework and, in particular, with the accounting principles and criteria contained therein, so that they present fairly the Company's equity and financial position at 31 December 2021 and the results of its operations, the changes in its equity and its cash flows for the year then ended.

These financial statements, prepared by the directors of the Company, will be submitted for approval by the shareholders at the Annual General Meeting, and it is expected that they will be approved without any changes.

The figures contained in the documents comprising these annual accounts are expressed in Euros.

#### c) Non-mandatory accounting principles

No non-mandatory accounting principles have been applied. In addition, the directors of the Company have prepared these annual accounts taking into account all the mandatory accounting principles and standards that have a material effect on them. There are no accounting principles that are mandatory but are no longer applied.

#### d) Critical measurement issues and estimates of uncertainty

At 31 December 2021 and 2020, there are no uncertainties arising from significant risks that could lead to a material change in the value of assets or liabilities within the next financial year.

In preparing the financial statements, estimates were occasionally made by the Company's directors in order to measure certain of the assets, liabilities, income, expenses and commitments reported herein. Basically, these estimates relate to:

- The useful life applied to items of property, plant and equipment and intangible assets (Notes 10 and 11).
- The assessment of possible impairment losses on financial instruments.
- Personnel

Although these estimates have been made on the basis of the best information available at year-end 2021, future events, if any, may make it necessary to change these estimates in future years, which would be done prospectively, recognising the effects of any changes in estimates in the related income statement.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

#### e) Going concern principle

These annual accounts have been prepared on a going concern basis, as the Company's directors consider that the Company will continue in business for the foreseeable future. Therefore, the application of the accounting rules is not intended to determine the value of the net assets for the purpose of their global or partial transfer or the amount resulting in the event of liquidation.

#### f) Changes in accounting estimates

As at 31 December 2021 and 2020, there are no changes in accounting estimates that may involve a material change in the value of assets and liabilities within the next year.

#### g) Consolidation

The Company is part of the CIMD Group, whose parent company is CIMD, S.A., incorporated in Madrid and which holds 99.99% of the Company's shares at 31 December 2021 and 2020. The Board of Directors of CIMD, S.A. will draw up its consolidated annual accounts on 23 March 2022, which, once approved, will be filed with the Commercial Registry of Madrid.

The parent company of the Group prepares its consolidated annual accounts in accordance with CNMV Circular 1/2021, of 25 March, on accounting standards, annual accounts and financial statements of Investment Services Companies and their consolidable groups, Management Companies of Collective Investment Institutions and Management Companies of Closed-Ended Entities.

#### h) Grouping of items

Certain items in the balance sheet, income statement, statement of changes in equity and cash flow statement are grouped together for ease of understanding, although, to the extent material, the information is disclosed in the relevant notes to the consolidated financial statements.

#### i) Minimum own funds. Investment and diversification ratios.

Directive (EU) 2019/2034 of the European Parliament and of the Council, of 27 November 2019, on the prudential supervision of investment firms and Regulation (EU) 2019/2033 of the European Parliament and of the Council, of 27 November 2019, on prudential requirements for investment firms, regulate the taking up of business, the supervisory framework and prudential arrangements for investment firms, as well as the minimum own funds to be held, the manner in which those own funds are determined, and the processes and reporting on capital self-assessment to be carried out by institutions.

At 31 December 2021 and 2020, the Company's equity exceeded the requirements of the regulations in force at that date.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

#### j) Comparativeness of information

In addition to the figures for 2021, for comparative purposes the Company directors present each item in the balance sheet, income statement, statement of changes in equity and statement of cash flows with those for the previous year.

On 1 January 2021, CNMV Circular 1/2021, of 25 March, on accounting standards, annual accounts and financial statements of Investment Services Companies and their consolidable groups, Management Companies of Collective Investment Institutions and Management Companies of Closed-Ended Entities, which repeals Circular 7/2008 of 26 November, came into force.

The purpose of the aforementioned Circular is to amend the accounting regime of certain entities subject to CNMV supervision so that, in general, the general accounting framework established through the regulatory authorisation contained in the first final provision of Law 16/2007 is applicable to them by reference, of 4 July, on the reform and adaptation of commercial legislation in accounting matters for its international harmonisation based on European Union regulations, which is specified in the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November, and amended by Royal Decree 1/2021, of 12 January.

Accordingly, the adoption of this Circular has changed the breakdown and presentation of certain headings in the annual accounts for the financial year 2021, so that it is not comparative. The information for the year ended 31 December 2020 has not been restated under this Circular. However, a reconciliation of the balances at 31 December 2020 under Circular 7/2008 and the corresponding balances under Circular 1/2021 is included in section k) below.

#### k) Issues arising from the transition to the new accounting standards - Reconciliation of balance sheet and profit and loss balances between Circular 7/2008 and Circular 1/2021.

The classification and carrying amounts of assets, liabilities and gains and losses in accordance with CNMV Circular 7/2008 and CNMV Circular 1/2021 are compared in the following tables:

**INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

<b>Assets</b>			
<b>Classification under Circular 7/2008</b>	<b>Carrying amount Circular 7/2008 at 31/12/2020</b>	<b>Classification under Circular 1/2021</b>	<b>Carrying amount Circular 1/2021 at 01/01/2021</b>
Treasury	2 780 769.60	Treasury	2 780 769.60
Loans and receivables - Credit to Financial Intermediaries	26 682 138.72	Credit to Financial Intermediaries	26 682 138.72
Credit investments - Loans to individuals	6 693 694.96	Credit to individuals	6 693 694.96
Trading Portfolio - Debt Instruments	4 511 321.09	Debt securities	4 511 321.09
Trading Portfolio - Equity Instruments	1 947 676.18	Shares and participations	1 948 981.18
Non-current assets held for sale	305.00		
Available-for-sale financial assets	1 000.00		
Tangible assets	136 053.71	Tangible fixed assets	136 053.71
Intangible assets	43 414.08	Intangible assets	43 414.08
Tax assets	23 400.24	Tax assets	23 400.24
Rest of assets	153 051.38	Accruals	114 166.50
		Other assets	38 884.88

<b>Liabilities</b>			
<b>Classification under Circular 7/2008</b>	<b>Carrying amount Circular 7/2008 at 31/12/2020</b>	<b>Classification under Circular 1/2021</b>	<b>Carrying amount Circular 1/2021 at 01/01/2021</b>
Financial liabilities at amortised cost - Debts to financial intermediaries	20 990 289.83	Payable to financial intermediaries	20 990 289.83
Financial liabilities at amortised cost - Amounts owed to private individuals	2 998 613.52	Debts owed to private individuals	2 998 613.52
Remaining liabilities	1 361 811.21	Accruals and deferrals	1 006 187.48
		Other liabilities	355 623.73

<b>Equity</b>			
<b>Classification under Circular 7/2008</b>	<b>Carrying amount Circular 7/2008 at 31/12/2020</b>	<b>Classification under Circular 1/2021</b>	<b>Carrying amount Circular 1/2021 at 01/01/2021</b>
Equity - Capital	15 000 000.00	Shareholders' equity - Capital	15 000 000.00
Equity - Reserves	3 000 000.00	Shareholders' equity - Reserves	3 000 000.00
Equity – Profit or loss from previous years	(357 965.56)	Shareholders' equity - Results of previous years	(357 965.56)
Equity - Profit for the year	(19 924.04)	Shareholders' equity - Profit for the year	(19 924.04)

**INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

<b>Memorandum Accounts</b>			
<b>Classification under Circular 7/2008</b>	<b>Carrying amount Circular 7/2008 at 31/12/2020</b>	<b>Classification under Circular 1/2021</b>	<b>Carrying amount Circular 1/2021 at 01/01/2021</b>
Risk and commitment accounts - Guarantees and guarantees provided	3 667 325.71	Risk and commitment accounts - Guarantees and guarantees provided	3 667 325.71
Risk and commitment accounts - Financial derivatives	1 176 504.64	Risk and commitment accounts - Financial derivatives	1 176 504.64
Other off-balance sheet items - Securities deposits	2.834.158.882.68	Risk and commitment accounts - Deposits on financial instruments (market value)	2.834.158.882.68
Other off-balance sheet items - Managed portfolios	21 695 398.18	Managed portfolios	21 695 398.18
Other off-balance sheet items - Other off-balance sheet items	12 122 079.65	Other off-balance sheet items - Unconditional cash at sight with credit institutions	5 000 000.00
		Other off-balance sheet items - Customer orders to purchase securities pending settlement	31 382.64
		Other off-balance sheet items - Customer orders pending settlement	4 116.29
		Other off-balance sheet items - Own and third party financial instruments held by other entities	7 086 580.72

**INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

<b>Profit and loss account</b>			
<b>Classification under Circular 7/2008</b>	<b>Carrying amount Circular 7/2008 at 31/12/2020</b>	<b>Classification under Circular 1/2021</b>	<b>Carrying amount Circular 1/2021 at 01/01/2021</b>
Interest receivable and similar income	82 584.35	Interest, dividends and similar income on financial assets	82 584.35
Interest and similar charges	(54 277.27)	Interest receivable and similar charges on financial liabilities	(54 277.27)
Commissions received	5 048 614.45	Commissions received	5 093 798.27
Commissions paid	(1 626 532.86)	Commissions and brokerage fees paid	(1 671 716.68)
Profit/(loss) on financial transactions (net)	3 141 931.38	Losses on financial investments	( 697 046.09)
		Gains on financial investments	3 838 977.47
Exchange differences (net)	(38 121.85)	Exchange losses	(114 526.03)
		Exchange gains	76 404.18
Other operating expenses	(48 500.04)	Other operating expenses	(48 500.04)
Personnel expenses	(4 484 987.83)	Staff costs	(4 484 987.83)
General expenses	(1 960 790.48)	Overheads	(1 894 481.36)
		Contributions and taxes	(66 309.12)
Depreciation and amortisation	(81 501.59)	Depreciation	(81 501.59)
Impairment losses on financial assets	(4 468.25)	Impairment losses on financial assets	(4 572.25)
		Impairment losses on impaired financial assets	104.00
Impairment losses on other assets	(76.96)	Impairment losses on non-financial assets	(76.96)
Gains / (losses) on disposal of assets not classified as non-current assets held for sale	139.15	Other gains	139.15
Income tax	6 063.76	Income tax for the period	6 063.76



## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

#### 3. Accounting criteria

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

##### a) 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

This category includes equity instruments that are not held for trading and are not to be measured at cost and for which an irrevocable election is not made 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 that are 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.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

### **NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AT 31 DECEMBER 2021**

**(Expressed in Euros)**

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 an 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 variable market interest rate is charged would be inherent in 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.

In general, 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 in instalments is deferred; and
- (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 staff, 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.

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

#### Subsequent valuation

Financial assets 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, loans and receivables maturing in less than one year which, in accordance with the provisions of the previous 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 realisation 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 their reversal when the amount of the impairment loss decreases due to a subsequent event, shall be recognised as an expense or income, respectively, in the profit and loss account. 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 in the category 'Financial assets at amortised 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.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

#### 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 currency, in accordance with the foreign currency standard, shall be recognised 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 cause:

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

(b) In the case of investments in equity instruments, a 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, an instrument shall be presumed to be impaired if its market price has

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

### **NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AT 31 DECEMBER 2021**

**(Expressed in Euros)**

declined 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 declined by that percentage.

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

Cumulative losses recognised in equity for decline 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 income statement and the increase in fair value shall be recognised directly in equity.

iv) Financial assets at cost

In any case, the following are included in this valuation category:

a) Investments in the equity of group companies, jointly controlled entities and associates, as defined in Rule 13 of the General Chart of Accounts for the preparation of the annual accounts.

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 venture and similar agreements.

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

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

#### 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 in section 2 of the standard on transactions between group companies and the criteria for determining the cost of the combination set out 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 contracts 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 appropriate, 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 to be conditional on the achievement of a milestone in the borrowing company (e.g. profit), or because it is calculated solely by reference to the performance of the borrowing company'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 impairment loss shall be the difference between the carrying amount and the recoverable amount, which is the higher of fair value less costs to sell and

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

### **NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AT 31 DECEMBER 2021**

**(Expressed in Euros)**

the present value of future cash flows arising 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 unrealised 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 on the basis of equity may be used where it can be used to demonstrate a minimum recoverable amount without the need for a more complex analysis when it is inferred 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 and recognised directly in equity as a result of that investment, those adjustments shall be maintained after classification until the investment is disposed of or derecognised, at which time they shall be recognised in the income statement, or until the following circumstances occur:

- a) In the case of previous valuation adjustments for increases in value, impairment allowances shall be recorded against the equity item reflecting the previously made valuation adjustments up to the amount thereof, and the excess, if any, shall be recorded in the profit and loss account. Impairment losses recognised directly in equity shall not be reversed.

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

### NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED AT 31 DECEMBER 2021

(Expressed in Euros)

b) In the case of previous impairment losses, where the recoverable amount subsequently exceeds the carrying amount of the investments, the latter shall be increased, up to the limit of the aforementioned impairment loss, against the item in which the previous impairment losses were recognised and thereafter the new amount arising shall be treated as the cost of the investment. However, where there is objective evidence of impairment in the value of the investment, accumulated losses shall be recognised directly in equity in the profit and loss account.

#### **b) 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 trade payables and non-trade payables:

a) Trade payables: financial liabilities arising from the purchase of goods and services in the ordinary course of the company's business with deferred payment; and

b) Non-trade payables: financial liabilities which, not being derivative instruments, do not arise from trade transactions, but arise from loans or credits received by the company.

Participating loans that have the characteristics of an ordinary or common loan are also included in this category without prejudice to the fact that the operation 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 maturing in less than one year and not bearing a contractual interest rate, as well as disbursements required by third parties on equity investments, the amount of which is expected to be paid in the short term, may be measured at nominal value when the effect of not discounting the cash flows is not material.

##### Subsequent valuation

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 previous paragraph, are initially measured at nominal value shall continue to be measured at nominal value.



## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

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

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

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

- It is issued or assumed principally for the purpose of repurchase in the short term (e.g. bonds and other marketable securities issued and quoted that the enterprise can purchase in the short term based on changes in value).
- Is an obligation that a short seller has to deliver financial assets that have been lent to it (i.e. a firm sells financial assets that it had borrowed and does not yet own).
- Is part of a portfolio of jointly identified and managed financial instruments at initial recognition for which there is evidence of a recent pattern of short-term profit-taking; or
- Is a derivative financial instrument that is not a financial guarantee contract and is not designated as a hedging instrument.

b) From initial recognition, has been designated by the entity to be carried at fair value through profit or loss. Such 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; or
- 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 about the group is also provided on a fair value basis to key management personnel, as defined in Standard 15 on the preparation of the annual accounts of the Spanish National Chart of Accounts.

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 established 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.

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

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.

#### c) 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.

#### d) Functional currency

The functional currency of the Company is the euro. Therefore, all balances and transactions denominated in currencies other than the euro are considered denominated in foreign currency.

#### e) Measurement of foreign currency accounts

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

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
US Dollars	339 794.19	138 156.77
Pounds Sterling	37 936.75	42 901.59
Other foreign currencies	5 422.09	21 510.92
<b>Total</b>	<b>383 153.03</b>	<b>202 569.28</b>

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

The corresponding value in euros of the assets and liabilities in foreign currency, classified by their nature, held by the Company as at 31 December 2021 and 2020 is as follows:

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Loans and receivables (Notes 5 and 8)	548 204.72	332 188.80
Other financial intermediaries in foreign currency (Note 8)	58 588.66	96 640.93
Debts with customers – Creditors foreign currency (Note 12)	<u>( 223 640.35)</u>	<u>( 226 260.45)</u>
<b>Total</b>	<u>383 153.03</u>	<u>202 569.28</u>

In the initial recognition, debtor and creditor balances denominated in foreign currency are converted 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 converted 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 converted at the exchange rate on the date of acquisition.
- Non-monetary items measured at fair value are converted at the exchange rate ruling on the date on which fair value is determined.
- Incomes and expenses are converted 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/ amortization are converted at the exchange rate applied to the relevant asset.

Exchange differences arising on conversion 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.

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

#### f) Tangible assets

The tangible assets are registered at their acquisition costs. The provision for amortization 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 amortization rates applied in calculating the depreciation of the items included under fixed assets are the following:

Technical installations	11%
Data processing equipment	25%
Furniture and fittings	10%
Telephone equipment	25%

At each balance sheet date, the Company assesses whether there is any internal or external indication that the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. If this is the case, the Company reduces the carrying amount of the related item to its recoverable amount and adjusts future depreciation charges in proportion to its adjusted carrying amount and to its new remaining useful life, if a re-estimate of the useful life is necessary.

In addition, when there is an indication of a recovery in the value of an item, the Company records a reversal of the impairment loss recognised in prior periods and adjusts future depreciation charges. In no case may the reversal of an impairment loss on an item increase its carrying amount above that which it would have had if no impairment loss had been recognised in prior periods.

At least at the end of each year, the Company reviews the estimated useful lives of items of property, plant and equipment for own use in order to detect significant changes therein which, if any, are adjusted by recognising the depreciation charge in the income statement for future years on the basis of the new estimated useful life.

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.

#### g) Intangible assets

Intangible assets are identifiable non-monetary assets (capable of being separated from other assets), albeit without physical substance, which arise as a result of a legal transaction, or which have been developed by the Company. Only intangible assets whose cost can be reliably estimated and from which it is probable that future economic benefits will flow to the Company are recognised.

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

Intangible assets are initially recognised at acquisition or production cost and subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses.

At year-end 2021 and 2020, all of the Company's intangible assets have finite useful lives. At least at each year end, the estimated useful lives, residual values and amortisation methods of intangible assets are reviewed in order to detect significant changes which, if any, are adjusted by the corresponding adjustment of the amortisation charge to the profit and loss account of future years based on the new useful lives.

The annual amortisation charge for intangible assets is recognised under "Depreciation and amortisation" in the income statement and is equal to the following amortisation percentage (determined on the basis of the average years of estimated useful life of the various assets):

Software applications	25%
Software licences	25%

#### **h) Leases**

Leasing contracts are presented based on the economic fund of the operation, regardless of their legal form, and are classified from the beginning as financial lease or operating lease.

##### - Finance lease

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.

As at 31 December 2021 and 2020 the Company does not hold this kind of leases.

##### - Operating lease

Leases where the lessor retains a significant portion of the risks and rewards of ownership are classified as operating leases. Operating lease payments (net of any incentives received from the lessor) are charged to the profit and loss account in the year in which they accrue on a straight-line basis over the lease term.

#### **i) Recognition of income and expenses**

Interest income, interest expense and similar items are generally recognised on an accruals basis using the effective interest method. Dividends received from other entities are recognised as income when the right to receive them arises. Revenue is recognised when the Company transfers control of the goods or services to customers. At that time, revenue is recognised at the fair value of the consideration to which the Company expects to be entitled in exchange for the transfer of the committed goods and services arising from contracts with customers, as well as other revenue not arising from contracts with customers that constitute the Company's ordinary course of business. The amount to be recognised is determined by deducting from the amount of the consideration for the transfer of committed goods or services to customers or other revenue from the Company's ordinary activities, the amount of discounts, rebates, price reductions, incentives

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

or rights given to customers, as well as value added tax and other directly related taxes that must be passed on.

Commissions paid or charged for financial services, regardless of the denomination they receive contractually, are classified in the following categories, which determine their allocation 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.

Non-financial income and expenses are recognised on an accruals basis. Deferred receipts and payments are recognised at the amount resulting from discounting the expected cash flows at market rates.

#### **j) Recognition of financial expenses**

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.

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

#### k) Staff costs

##### - 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.

##### - Termination benefits

Termination benefits are paid to employees as a result of the Company's decision to terminate their employment contract before the normal retirement age or when the employee agrees to voluntarily resign in exchange for such benefits. The Company recognises these benefits when it has demonstrably undertaken to terminate the employees' employment in accordance with a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer to encourage voluntary redundancy. Benefits that will not be paid within twelve months of the balance sheet date are discounted to their present value.

In accordance with current legislation, the Company is not obliged to compensate employees who are dismissed without just cause. There are no redundancy plans in place that would require a provision to be made in this respect.

##### - Other post-retirement obligations

The collective agreement applicable to the employees of securities firms and the Madrid stock market establishes certain social welfare obligations. The 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 Company had no significant obligations of this kind towards its employees.

##### - 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

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

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 the period.

#### **l) Equity**

Share capital is represented by ordinary shares.

The costs of issuing new shares or options are recognised directly in equity as a reduction of reserves.

In the case of the acquisition of the Company's own shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until cancellation, reissue or disposal. When these shares are subsequently sold or reissued, any amount received, net of any directly attributable incremental transaction costs, is included in equity.

#### **m) Provisions and contingent liabilities**

Provisions for environmental restoration, restructuring costs and litigation are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Restructuring provisions include lease cancellation penalties and employee termination payments. No provisions are recognized for future operating losses.

Provisions associated with sales with a right of return are recognised when there is an estimated refund liability based on the amount of expected returns. The Company updates the measurement of the refund liability at the end of each reporting period for changes in expectations of the amount of returns and recognises the corresponding adjustments as an increase or decrease in revenue.

Provisions are measured at the reporting date at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Adjustments to the provision on restatement are recognised as a finance cost as they accrue.

Provisions maturing in one year or less, with an insignificant financial effect, are not discounted.

When part of the expenditure required to settle the provision is expected to be reimbursed by a third party, the reimbursement is recognised as a separate asset provided that it is virtually certain to be received.



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

Contingent liabilities are defined as possible obligations arising from past events, the realisation of which is conditional on the occurrence or non-occurrence of one or more future events beyond the Company's control. These contingent liabilities are not recognised in the accounts and are disclosed in the notes to the financial statements.

Provisions may be determined by a legal or contractual provision or by an implicit or tacit obligation. In the latter case, they arise from the valid expectation created by the company vis-à-vis third parties that it will assume an obligation. The company's contingencies related to obligations other than those mentioned above must be reported.

#### **n) 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 of the Income Tax heading is determined by the tax payable calculated with respect to the taxable base for the year, once the variations during that year derived from the temporary differences, the credits for deductions and bonuses and negative tax bases have been considered. The tax base for the year may differ from the net result for the year presented in the profit and loss account since it excludes income or expense items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax assets and liabilities are those taxes that are expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases, are recognised using the balance sheet liability method and are quantified by applying to the temporary difference or credit the tax rate at which they are expected to be recovered or settled.

A deferred tax asset, such as a deferred tax asset, a credit for deductions and credits and a credit for tax loss carryforwards, is recognised provided that it is probable that the Company will obtain sufficient future taxable profit against which it can utilise it. It is considered probable that the Company will obtain sufficient future taxable profit, among other assumptions, when, among other assumptions, the following conditions exist:

- There are deferred tax liabilities that are cancellable in the same period as that in which the deferred tax asset is realised or in a subsequent period in which it can offset the existing or anticipated tax loss carryforwards.
- Tax losses have arisen from identified causes that are unlikely to recur.

Deferred tax liabilities are always recognised, except when goodwill is recognised, if the Company is able to control the timing of the reversal of the temporary difference and, in addition, it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liabilities are also not recognised when initially recognising an asset or liability, other than a

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

business combination, which at the time of recognition has not affected either accounting or taxable profit or loss.

Deferred tax assets and liabilities are reviewed at the end of each reporting period to ensure that they are still valid and the appropriate adjustments are made.

#### **o) Related party transactions**

As a general rule, transactions between group companies are initially recognised at fair value. If the agreed price differs from the fair value, the difference is recognised on the basis of the economic reality of the transaction. Subsequent valuation is carried out in accordance with the relevant standards.

Notwithstanding the above, in mergers, spin-offs or non-monetary contributions of a business, the constituent elements of the acquired business are valued at the amount corresponding to them, once the transaction has been carried out, in the consolidated annual accounts of the group or subgroup.

When the parent company of the group or subgroup and its subsidiary are not involved, the annual accounts to be considered for these purposes will be those of the larger group or subgroup in which the assets and liabilities are included, the parent company of which is Spanish.

In these cases, the difference that may arise between the net value of the assets and liabilities of the company acquired, adjusted by the balance of the groupings of grants, donations and bequests received and adjustments for changes in value, and any amount of capital and share premium, if any, issued by the acquiring company, is recorded in reserves.

#### **p) Current and deferred taxes**

The Company is taxed under the consolidated tax regime together with the parent company and other subsidiaries of the Group to which it belongs. The entity responsible for the application of this tax regime is the parent company, the main shareholder of the Company.

Corporate income tax is recognised as an expense in each year, calculated taking into account the profits before taxes detailed in the annual accounts, corrected for tax criteria differences of a permanent nature and taking into account the applicable bonifications 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, according to the liability method, on the temporal differences that arise between the assets and liabilities tax bases 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

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

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 companies, associated or joint venture companies, except in those cases in which the 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.

#### 4. Risks management

The Company, due to the activity it carries out, and its consolidable group are required by current legislation - Royal Legislative Decree 4/2015, of 23 October, approving the revised text of the Securities Market Act; Royal Decree 217/2008, of 15 February; and CNMV Circular 2/2014, of 23 June - to have adequate risk management policies and procedures in place.

Consequently, the Board of Directors of CIMD, S.A. (the Group parent company) approved a *Risk Management Policy (RMP)* which applies to all Group companies.

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

Risk management is based on the following:

- 1st. appropriate planning of equity;
- 2nd. identifying, assessing and measuring risks;
- 3rd. establishing risk tolerance limits;
- 4th. establishing a system of risk control and follow-up; and
- 5th. analyze the result on the balance between equity and risks before stress situations.

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

The criteria set out in Regulation (EU) 2019/2033 are used to determine the requirements, which are 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-factor criterion for calculating RtC, RtM and RtF.

For the assessment of the exposure to each of these risks and for the quantification of the requirements, the criteria set out in Regulation (EU) 2019/2033 are followed.

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

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.

Depending on the nature and characteristics of each risk, as well as the activity it affects, the respective limits are determined, either in absolute values or in percentages. Where appropriate, the weightings to which these limits are subject will be determined.

The following table shows an analysis of the Company's financial liabilities that 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 tables 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.

The detail of the financial liabilities as at 31 December 2021 is as follows:

	Euros			
	Menos de 1 año	Entre 1 y 2 años	Entre 2 y 5 años	Sin vencimiento
<b>Al 31 de diciembre de 2021</b>				
Guarantees received (Note 12)	49 325 011.75	-	-	-
Guarantees received from Group companies (Note 12)	291 454.24	-	-	-
Transitional balances on securities transactions (Note 12)	6 130 529.11	-	-	-
Other liabilities (Note 13)	328 071.88	-	-	-
Creditors outstanding invoices (Note 14)	592 879.55	-	-	-
Bonds, deposits and guarantees received (Note 12)	428 786.27	-	-	-
Remuneration pending payment (Note 14)	559 667.38	-	-	-
Payables to Group companies (Notes 12 and 19)	5 859.29	-	-	-
Due from credit institutions (Note 12)	5 803.56	-	-	-

The detail of the financial liabilities as at 31 December 2020 is as follows:

	Euros			
	Less than 1 year	1 to 2 years	2 to 5 years	No expiry date
<b>Al 31 de diciembre de 2020</b>				
Guarantees received (Note 12)	18 091 673.54	-	-	-
Transitional balances arising from securities transactions (Note 12)	2 719 078.51	-	-	-
Repurchase agreements with financial intermediaries (Note 12)	2 370 761.03	-	-	-
Other liabilities (Note 13)	355 623.73	-	-	-
Creditors outstanding invoices (Note 14)	445 556.28	-	-	-
Bonds, deposits and guarantees received (Note 12)	708 162.63	-	-	-
Remuneration pending payment (Note 14)	560 631.20	-	-	-
Payables to Group companies (Notes 12 and 19)	79 848.84	-	-	-
Other transactions pending settlement (Note 12)	15 912.82	-	-	-
Loans and advances to credit institutions (Note 12)	3 465.98	-	-	-

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

#### 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.

#### COVID-19

Since December 2019 and during the financial years 2020 and 2021, a global pandemic generated by COVID-19 has occurred. As of the date of these financial statements, this event continues to significantly affect economic activity globally and, as a result, could affect the Company'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. The Company's management estimates that the materiality will continue to decrease in the financial year 2022.

#### **5. Treasury**

The "Treasury" statement includes mainly as at 31 December 2021 and 2020 an amount of 1,148,771.77 euros and 2,780,769.60 euros, respectively, corresponding to balances placed within Bank of Spain which are subject to no restrictions on demand by an amount of 1,148,097.57 euros and 2,780,139,16 euros, respectively, and held the company in cash an amount of 674.20 euros and 630.44 euros, respectively, 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:

	<u>2021</u>	<u>2020</u>
Banks, euro current accounts (Note 8)	56 081 990.31	22 946 449.69
Treasury	1 148 771.77	2 780 769.60
Banks, foreign current accounts (Notes 3.e and 8)	548 204.72	332 188.80
	<u>57 778 966.80</u>	<u>26 059 408.09</u>

## INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

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

#### 6. Debt securities

The amounts included under the heading “Debt securities” at 31 December 2021 and 2020 are as follows:

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Financial assets - Fixed income	1 229 066.63	4 515 379.73
Variations Financial assets – Fixed income	<u>5 304.09</u>	<u>(4 058.64)</u>
	<u>1 234 370.72</u>	<u>4 511 321.09</u>

The breakdown of the heading “Financial assets - Fixed income” as at 31 December 2021 is as follows:

	<u>Face value</u>	<u>Maturity date</u>	<u>Cost value</u>	<u>Market value</u>	<u>Euros</u> <u>Gains / (Losses)</u>
<b>Financial assets - Fixed income</b>					
Foreign Government bonds	719 304.00		719 304.00	719 304.00	-
Government bonds	500 000.00	30/04/2022	<u>509 762.63</u>	<u>522 517.75</u>	<u>5 304.09</u>
			<u>1 229 066.63</u>	<u>1 234 370.72</u>	<u>5 304.09</u>

The breakdown of the heading “Financial assets - Fixed income” as at 31 December 2020 is as follows:

	<u>Face value</u>	<u>Maturity date</u>	<u>Cost value</u>	<u>Market value</u>	<u>Euros</u> <u>Gains / (Losses)</u>
<b>Financial assets - Fixed income</b>					
Treasury bills	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	<u>2 115 379.73</u>	<u>2 111 531.79</u>	<u>(3 847.94)</u>
			<u>4 515 379.73</u>	<u>4 511 321.09</u>	<u>(4 058.64)</u>

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

The amounts and movements in Financial assets - Fixed income during the years ended 31 December 2021 and 2020 are as follows:

	Euros					
	31.12.20	Increase	Decrease	Gains / (Losses)	Gains / Losses) (Note 21)	31.12.21
<b>Financial assets - Fixed income</b>						
Treasury bills	2 399 789.30	-	(2 399 466.48)	-	(322.82)	-
Foreign Government bonds	-	719 304.00	-	-	-	719 304.00
Government Bonds	<u>2 111 342.49</u>	-	<u>(1 579 708.64)</u>	-	<u>(6 656.79)</u>	<u>515 066.72</u>
	<u>4 511 131.79</u>	<u>719 304.00</u>	<u>(3 989 274.76)</u>	<u>-</u>	<u>(6 979.61)</u>	<u>1 234 370.32</u>

	Euros					
	31.12.19	Increase	Decrease	Gains / (Losses)	Gains / Losses) (Note 21)	31.12.20
<b>Financial assets - Fixed income</b>						
Government bonds	2 225 113.06	-	( 109 922.63)	-	( 3 847.94)	2 111 531.79
Treasury bills	<u>5 062 841.40</u>	<u>2 400 000.00</u>	<u>(5 062 841.40)</u>	-	<u>( 210.70)</u>	<u>2 111 342.49</u>
	<u>7 287 954.46</u>	<u>2 400 000.00</u>	<u>(5 172 764.03)</u>	<u>-</u>	<u>(4 058.64)</u>	<u>4 511 131.79</u>

Gains or losses arising from increases or decreases on the value of fixed income instruments at 31 December 2021 and 2020 are recognised in gains and losses on financial investments in the Company's income statement (Note 23).

During financial years 2021 and 2020, the Company carried out buying and selling operations on its own account in the fixed income market. The movements in these transactions during financial years 2021 and 2020 are as follows:

	Euros			
	31.12.20	Increase	Decrease	31.12.21
Own-account trading on Fixed income market	-	2 923 933 782.98	2 923 933 782.98	-
	<u>-</u>	<u>2 923 933 782.98</u>	<u>2 923 933 782.98</u>	<u>-</u>
	Euros			
	31.12.19	Increase	Decrease	31.12.20
Own-account trading on Fixed income market	-	3 485 554 519.30	3 485 554 519.30	-
	<u>-</u>	<u>3 485 554 519.30</u>	<u>3 485 554 519.30</u>	<u>-</u>

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Those operations of buying and selling has produced benefits to the Company on 2021 and 2020 years for a net amount of 2,818,389.92 euros and 3,157,582.00 euros, respectively. Those net benefits are registered in gains and losses on financial investments in the Company's profit and loss account (Note 23).

#### 7. Shares and participating interests

The breakdown of the heading "Shares and participating interests" as at 31 December 2021 and 2020 are as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
<b>Shares and participating interests domestic portfolio</b>		
Investment Funds		
IMDI FUNDS FI / Rojo,	447 802.99	689 552.89
Intermoney Variable Euro, FI	335 433.19	383 277.28
Intermoney Gestión Flexible, FI	1 978.25	310 256.23
IMDI FUNDS FI / Verde	183 028.09	299 116.38
IMDI FUNDS FI / Azul	97 680.51	177 857.31
IMDI FUNDS FI / Ocre	826 928.23	85 664.31
Intermoney Attitude, FI	325 137.15	1 951.78
	<u>2 217 988.41</u>	<u>1 947 676.18</u>
Sociedad Gestora del Fondo General de Garantía de Inversiones, S.A.	1 200.00	1 000.00
Banco de Crédito Social Cooperativo, S.A.	305.00	305.00
	<u>2 219 493.41</u>	<u>1 948 981.18</u>

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

	<b>Euros</b>					
	<b>31.12.20</b>	<b>Increase</b>	<b>Decrease</b>	<b>Gains / (Losses)</b>	<b>Gains / (Losses)</b>	<b>31.12.21</b>
				<b>(Losses)</b>	<b>(Note 21)</b>	
Investment Funds:						
Intermoney Variable Euro, FI	383 277.28	-	-	-	64 525.71	447 802.99
Intermoney Gestión Flexible, FI	310 256.23	-	-	-	25 176.96	335 433.19
Intermoney Attitude, FI	1 951.78	-	-	-	26.47	1 978.25
IMDI FUNDS FI / Azul	177 857.31	-	-	-	5 170.78	183 028.09
IMDI FUNDS FI / Ocre	85 664.31	-	-	-	12 016.20	97 680.51
IMDI FUNDS FI / Rojo	689 552.89	-	-	-	137 375.34	826 928.23
IMDI FUNDS FI / Verde	299 116.38	-	-	-	26 020.77	325 137.15
	<u>1 947 676.18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>270 312.23</u>	<u>2 217 988.41</u>



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	Euros					
	31.12.19	Increase	Decrease	Gains / (Losses)	Gains / (Losses) (Note 21)	31.12.20
Investment Funds:						
IMDI FUNDS FI / Rojo	660 644.98	-	-	-	28 907.91	689 552.89
Intermoney Variable Euro, FI	416 765.05	-	-	-	(33 487.77)	383 277.28
Intermoney Gestión Flexible, FI	311 965.00	-	-	-	(1 708.77)	310 256.23
IMDI FUNDS FI / Verde	292 539.36	-	-	-	6 577.02	299 116.38
IMDI FUNDS FI / Azul	176 558.94	-	-	-	1 298.37	177 857.31
IMDI FUNDS FI / Ocre	82 749.78	-	-	-	2 914.53	85 664.31
Intermoney Attitude, FI	1 946.52	-	-	-	5.26	1 951.78
	<u>1 943 169.63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4 506.55</u>	<u>1 947 676.18</u>

The detail of the valuation of Investment Funds managed by the Group as at 31 December 2021 and 2020 is as follows:

	Euros			
	Number of securities	Cost value	Market Value	Gains / (Losses)
<b>As at 31 December 2021</b>				
Investment Funds:				
Intermoney Variable Euro, F.I.	2 807.08	343 907.38	447 802.99	103 895.61
Intermoney Gestión Flexible, F.I.	29 507.97	317 000.00	335 433.19	18 433.19
Intermoney Attitude, F.I.	192.65	1 926.50	1 978.25	51.75
IMDI FUNDS / IMDI Azul	17 574.50	175 000.00	183 028.09	8 028.09
IMDI FUNDS / IMDI Ocre	7 500.00	75 000.00	97 680.51	22 680.51
IMDI FUNDS / IMDI Rojo	57 674.40	575 000.00	826 928.23	251 928.23
IMDI FUNDS / IMDI Verde	27 576.61	275 000.00	325 137.15	50 137.15
		<u>1 762 833.88</u>	<u>2 217 988.41</u>	<u>455 154.53</u>

	Euros			
	Number of securities	Cost value	Market Value	Gains / (Losses)
<b>As at 31 December 2020</b>				
Investment Funds:				
Intermoney Variable Euro, FI	2 807.08	343 907.38	383 277.28	39 369.90
Intermoney Gestión Flexible, FI	29 507.97	317 000.00	310 256.23	( 6 743.77)
Intermoney Attitude, FI	192.65	1 926.50	1 951.78	25.28
IMDI FUNDS FI / Azul	17 574.50	175 000.00	177 857.31	2 857.31
IMDI FUNDS FI / Ocre	7 500.00	75 000.00	85 664.31	10 664.31
IMDI FUNDS FI / Rojo	57 674.40	575 000.00	689 552.89	114 552.89
IMDI FUNDS FI / Verde	27 576.61	275 000.00	299 116.38	24 116.38
		<u>1 762 833.88</u>	<u>1 947 676.18</u>	<u>184 842.30</u>

The fair value of the instruments included under the heading "Shares and participating interests domestic portfolio" has been calculated by reference to the net asset values of the Investment Funds in which participating interests are held as at 31 December 2021 and 2020.

The net profit for the year ended 31 December 2021 and 2020 amounted to 270,312.23 euros and 4,506.55 euros, respectively. This result is obtained from the changes in value of the investments recorded by the Company during the year in the profit and loss account. The losses recorded monthly during the year are recorded under "Losses on financial investments - Shares and

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participating interests Domestic portfolio" in the amount of 74,891.89 euros and 354,584.42 euros at 31 December 2021 and 2020, respectively, and the gains recorded monthly are recorded under "Gains on financial investments - Shares and participating interests Domestic portfolio" in the amount of 345,204.12 euros and 359,090.97 euros at 31 December 2021 and 2020, respectively (Note 23).

#### 8. Loans to financial intermediaries

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

	Euros	
	2021	2020
Overnight deposits (Notes 3 e and 5)	56 630 195.03	23 278 638.49
Other receivables	5 396 989.62	2 657 859.71
Claims on own-account operations to be settled	99 481.98	719 438.48
Doubtful assets	25 957.79	51 591.27
Valuation adjustments: (+/-)	(25 389.23)	(25 389.23)
	<b>62 127 235.19</b>	<b>26 682 138.72</b>

The detail by entity of the heading "Overnight deposits" as of December 31, 2021 and 2020 is as follows:

	Euros	
	2021	2020
<b>Overnight deposits euros</b>		
Credit Suisse	49 585 311.95	18 249 530.56
Bankinter	5 074 154.27	2 773 038.21
BCP Millenium	110 893.32	492 541.99
Banco Santander	265 674.34	480 986.03
Cecabank	803 082.21	234 642.90
Euroclear Bank	84 099.75	89 562.55
Banco Inversis	58 503.46	48 102.10
Banco Sabadell	50 454.36	50 797.52
Others	49 816.65	75 960.65
Kas Bank	-	350 525.50
Banco de Crédito Social Cooperativo	-	100 761.68
	<b>56 081 990.31</b>	<b>22 946 449.69</b>
<b>Overnight deposits in foreign currencies</b>		
Bankinter	115 951.07	145 088.72
Caceis Bank	343 758.72	123 194.89
Cecabank	82 837.95	39 524.75
Others	5 656.98	24 380.44
	<b>548 204.72</b>	<b>332 188.80</b>
	<b>56 630 195.03</b>	<b>23 278 638.49</b>

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During the years 2021 and 2020, the current accounts in euros have been remunerated at an average interest rate between -0.70% and 0.00%.

During the financial years 2021 and 2020 the current accounts in foreign currencies have been remunerated at an average interest rate of 0.00%.

Details of "Other receivables" at 31 December 2021 and 2020 are as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Bonds and guarantees to BME	1 994 912.00	1 667 325.71
Caceis bonds and guarantees	2 226 503.00	-
Credit Suisse bonds and guarantees	759 871.93	597 603.93
Customer invoices pending formalisation	242 426.31	284 576.19
Receivables from group companies (Note 19)	107 160.89	9 388.40
Foreign currency receivables (Note 3.e)	58 588.66	96 640.93
Sundry accounts receivable	7 526.83	2 324.55
	<b>5 396 989.62</b>	<b>2 657 859.71</b>

As of December 31, 2021 and 2020, the heading "Claims on own-account operations to be settled" mainly includes equity transactions pending settlement with Kas Bank at the end of the year that have been settled in the first months of 2021 and 2020, respectively.

The detail of the heading "Doubtful assets" together with the valuation adjustments of these doubtful assets, recorded under the heading "Valuation adjustments" as at 31 December 2021 and 2020, is as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Doubtful assets	25 957.79	51 591.27
Valuation adjustments	(25 389.23)	(25 389.23)
	<b>568.56</b>	<b>26 202.04</b>

The movement of the heading "Valuation adjustments" as of December 31, 2021 and 2020 is as follows:

	<b>Euros</b>				
	<b>31.12.20</b>	<b>Increases</b>	<b>Decreases</b>	<b>(+/-) Others</b>	<b>31.12.21</b>
Valuation adjustments	(25 389.23)	(141.68)	141.68	-	(25 389.23)
	<b>(25 389.23)</b>	<b>(141.68)</b>	<b>141.68</b>	<b>-</b>	<b>(25 389.23)</b>

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

	<u>31.12.19</u>	<u>Increases</u>	<u>Decreases</u>	<u>(+/-) Others</u>	<u>Euros</u> <u>31.12.20</u>
Valuation adjustments	(22 120.98)	(4 572.25)	104.00	1 200.00	(25 389.23)
	<u>(22 120.98)</u>	<u>(4 572.25)</u>	<u>104.00</u>	<u>1 200.00</u>	<u>(25 389.23)</u>

#### 9. Credit to individuals

The breakdown of the heading "Credit to individuals" as at December 31, 2021 and 2020, is as follows:

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Other receivables and advances	7 038 717.25	6 682 108.94
Valuation adjustments (+/-)	7 335.32	11 586.02
	<u>7 046 052.57</u>	<u>6 693 694.96</u>

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

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Receivables from Group companies - Other (Note 19)	4 987 500.00	5 056 580.65
Receivables from Group companies – Tax Effect (Note 19)	2 024 905.50	1 617 412.62
Sundry debtors	26 338.30	7 510.17
Cash advances	( 26.55)	605.50
	<u>7 038 717.25</u>	<u>6 682 108.94</u>

On 28 April 2015, the Company's General Shareholders' Meeting resolved unanimously to grant its parent company (CIMD, S.A.) a loan of 3,750,000 euros to enable it to acquire the company Millennium BCP Gestão de Activos, S.G.F.I., S.A. The principal terms of the loan agreement are as follows:

- Term/repayment period: six (6) years.
- Stipulated interest rate in line with market rates: the Euribor one-year reference rate published by the Bank of Spain plus 1.50% per annum. At the end of the years 2021 and 2020, the reference rate for this operation was 1.024% in 2021 and 1.39% in 2020.

The interest rate is reviewable annually, based as a reference on the Euribor one-year reference rate published by the Bank of Spain every 18 May.

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- Interest settlement period: loan repayments and interest settlements are to take place annually, with the borrower being able to repay the loan early without being charged any fee.
- Late-payment interest rate applicable: six per cent (6%).

Similarly on 20 July 2015, the Company's General Shareholders' Meeting resolved unanimously to grant its parent company (CIMD, S.A.) a loan of 2,900,000 euros to enable it to make the second payment corresponding to the price for the acquisition of the company Millennium BCP Gestão de Activos, S.G.F.I., S.A. The principal terms of the loan agreement are as follows:

- Term/repayment period: the term is six (6) years.
- Stipulated interest rate in line with market rates: the Euribor one-year reference rate published by the Bank of Spain plus 1.50% per annum. At the end of the years 2021 and 2020, the reference rate for this operation was 1.024% in 2021 and 1.39% in 2020.

The interest rate is reviewable annually, based as a reference on the Euribor one-year reference rate published by the Bank of Spain every 18 May.

- Interest settlement period: loan repayments and interest settlements are to take place annually, with the borrower being able to repay the loan early without being charged any fee.
- Late-payment interest rate applicable: six per cent (6%).

On 15 April 2021, the General Shareholders' Meeting unanimously resolved to ratify the novations subscribed to date relating to the loan agreement signed with CIMD, S.A. on 18 May 2015 consisting of the extension of the grace periods of the loan, as well as the extension of the term of the agreement up to a total of 9 years.

At 31 December 2021 and 2020, the outstanding principal and interest receivable on these loans granted to the parent company amount to 4,987,500.00 euros and 4,999,086.02 euros, respectively (Note 19).

During the years 2021 and 2020, these loans earned interests of 66,275.50 euros and 69,507.31 euros, respectively, for the Company. These interests are recognised under the heading "Valuation adjustments" (Notes 19 and 20), which are not collected as of 31 December 2021 and 2020 amounting to 8,535.32 euros y 11,586.02 euros, respectively.

At 31 December 2020, the amounts receivable from Intermoney S.A. and Wind to Market, S.A. were 68,930.75 euros and 149.90 euros, respectively, and these amounts have been recognised under this balance sheet heading.

At 31 December 2021 and 2020, the amount receivable for income tax with CIMD S.A. was 2,024,905.50 euros and 1,617,412.62 euros, respectively (Note 19).

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**10. Tangible assets**

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

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Own Use:		
Technical Installations	69 595.72	109 320.64
Furniture and fittings	13 093.05	16 610.86
Data processing equipments	12 943.04	10 122.21
Telephone equipment	-	-
Tangible assets in progress	-	-
	<b>95 631.81</b>	<b>136 053.71</b>

The variations during the 2021 and 2020 years of the heading “Tangible assets” are as follows:

	<b>Euros</b>				
	<b>31.12.20</b>	<b>Additions</b>	<b>Retirements</b>	<b>(+/-) Others</b>	<b>31.12.21</b>
<b>Acquisition cost</b>					
Technical installations	324 743.13	-	-	-	324 743.13
Furniture and fittings	787 152.76	8 628.54	-	-	795 781.30
Data processing equipments	118 322.29	-	-	-	118 322.29
Telephone equipments	343 665.79	-	-	-	343 665.79
	<b>1 573 883.97</b>	<b>8 628.54</b>	<b>-</b>	<b>-</b>	<b>1 582 512.51</b>
<b>Accumulated depreciation</b>					
Technical installations	( 215 422.49)	(39 724.92)	-	-	( 255 147.41)
Furniture and fittings	( 777 030.55)	( 5 657.70)	-	-	( 782 688.25)
Data processing equipments	( 101 711.43)	( 3 667.82)	-	-	( 105 379.25)
Telephone equipments	( 343 665.79)	-	-	-	( 343 665.79)
	<b>(1 437 830.26)</b>	<b>(49 050.44)</b>	<b>-</b>	<b>-</b>	<b>(1 486 880.70)</b>
<b>Net tangible assets</b>	<b>136 053.71</b>	<b>(40 421.90)</b>	<b>-</b>	<b>-</b>	<b>95 631.81</b>

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	<b>Euros</b>				
	<b>31.12.19</b>	<b>Additions</b>	<b>Retirements</b>	<b>(+/-) Others</b>	<b>31.12.20</b>
<b>Acquisition cost</b>					
Technical installations	324 743.13	-	-	-	324 743.13
Furniture and fittings	118 322.29	-	-	-	118 322.29
Data processing equipments	779 318.05	6 426.68	-	1 408.03	787 152.76
Tangible assets in progress	1 408.03	-	-	(1 408.03)	-
Telephone equipments	343 665.79	-	-	-	343 665.79
	<b>1 567 457.29</b>	<b>6 426.68</b>	<b>-</b>	<b>-</b>	<b>1 573 883.97</b>
<b>Accumulated depreciation</b>					
Technical installations	(175 697.57)	(39 724.92)	-	-	( 215 422.49)
Furniture and fittings	(97 879.55)	( 3 831.88)	-	-	( 101 711.43)
Data processing equipments	(768 913.45)	( 8 117.10)	-	-	( 777 030.55)
Telephone equipments	(343 665.79)	-	-	-	( 343 665.79)
	<b>(1 386 156.36)</b>	<b>(51 673.90)</b>	<b>-</b>	<b>-</b>	<b>(1 437 830.26)</b>
<b>Net tangible assets</b>	<b>181 300.93</b>	<b>(45 247.22)</b>	<b>-</b>	<b>-</b>	<b>136 053.71</b>

As at 31 December 2021 and 2020 there are fully depreciated tangible assets with an original cost by amounting to 1,197,655.73 euros and amounting to 1,182,996.38 euros, respectively.

The Company has taken out an insurance policy to cover risks relating to property, plant and equipment. The coverage provided by these policies is considered to be sufficient.

CIMD, S.A. (the Group Holding Company) has lease contracts for the offices in which it operates, together with the other Spanish Group companies. It charges the Group entities for the expense relating to the lease of such offices (Notes 19 and 25).

On December 31, 2021 and 2020 the forecast of the amounts payable under the concept of lease to the the parent company of the Group, in accordance with the existing contracts, without regard the future increases in the Consumer Price Index (CPI), or future updates of contractually agreed revenues are the following:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
In a year	173 757.58	172 888.80
Between 1 and 3 years	462 629.56	432 221.98
	<b>636 387.14</b>	<b>605 110.78</b>

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**11. Intangible assets**

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

	<u>2021</u>	<u>Euros 2020</u>
Computer software	43 134.75	43 414.08
	<u>43 134.75</u>	<u>43 414.08</u>

The movement under this heading during the years 2021 and 2020 are as follows:

	<u>31.12.20</u>	<u>Increase</u>	<u>Decrease</u>	<u>Euros 31.12.21</u>
<b>Acquisition cost</b>				
Computer software	1 034 209.56	19 124.03	-	1 053 333.59
	<u>1 034 209.56</u>	<u>19 124.03</u>	<u>-</u>	<u>1 053 333.59</u>
<b>Accumulated depreciation</b>				
Computer software	( 990 795.48)	(19 403.36)	-	(1 010 198.84)
	<u>( 990 795.48)</u>	<u>(19 403.36)</u>	<u>-</u>	<u>(1 010 198.84)</u>
<b>Net intangible assets</b>	<u>43 414.08</u>	<u>( 279.33)</u>	<u>-</u>	<u>43 134.75</u>

	<u>31.12.19</u>	<u>Increase</u>	<u>Decrease</u>	<u>Euros 31.12.20</u>
<b>Acquisition cost</b>				
Computer software	996 604.12	37 682.41	(76.97)	1 034 209.56
	<u>996 604.12</u>	<u>37 682.41</u>	<u>(76.97)</u>	<u>1 034 209.56</u>
<b>Accumulated depreciation</b>				
Computer software	(960 967.79)	(29 827.69)	-	(990 795.48)
	<u>(960 967.79)</u>	<u>(29 827.69)</u>	<u>-</u>	<u>(990 795.48)</u>
<b>Net intangible assets</b>	<u>35 636.33</u>	<u>7 854.72</u>	<u>(76.97)</u>	<u>43 414.08</u>



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As at 31 December 2021 and 2020 there are fully depreciated intangible assets with an original cost amounting to 995,927.22 euros and 913,692.57 euros, respectively.

#### 12. Payable to financial intermediaries and Debts owed to private individuals

The breakdown of the heading "Payable to financial intermediaries" as at December 31, 2021 and 2020 is as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
<b>Payable to financial intermediaries</b>		
Other liabilities	49 618 451.55	18 345 504.15
Transitional balances arising from securities transactions	1 241 800.51	254 645.85
Valuation adjustments: Accrued interest receivable (+)	5 803.56	3 465.98
Reverse repurchase agreements	-	2 370 761.03
Debts for own-account transactions to be settled	-	15 912.82
	<b>50 866 055.62</b>	<b>20 990 289.83</b>

Details of "Other liabilities" at 31 December 2021 and 2020 are as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Guarantees received	49 325 011.75	18 091 673.54
Guarantees received from Group companies (Note 19)	291 454.24	218 588.38
Other creditors	1 985.56	35 242.23
	<b>49 618 451.55</b>	<b>18 345 504.15</b>

As of December 31, 2021 and 2020, under the heading "Guarantees received" 49,325,011.75 euros and 18,091,673.54 euros, respectively, are recorded as guarantees on the derivatives settlement operation with IM Gestão de Ativos, SGOIC, S.A.

The detail of "Guarantees received from Group companies" as of December 31, 2021 and 2020 is as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
CIMD, S.V., S.A. (Note 18)	291 454.24	218 588.38
	<b>291 454.24</b>	<b>218 588.38</b>

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The detail of "Other creditors" as of December 31, 2021 and 2020 is as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Other creditors	1 985.56	-
Debts with CIMD, S.V., S.A. (Note 18)	-	35 242.23
	<b>1 985.56</b>	<b>35 242.23</b>

At 31 December 2021 and 2020, the detail of the heading "Transitional balances on securities transactions" is made up of transactions pending settlement that will be settled in the first few days of 2022 in the amount of 1,241,800.51 euros and 254,645.85 euros, respectively.

The detail of "Reverse repurchase agreements" at 31 December 2021 and 2020 is as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Reverse repurchase agreements	-	2 370 761.03
	-	<b>2 370 761.03</b>

The detail of the reverse repurchase agreements as of December 31, 2020 was as follows:

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

At 31 December 2021 and 2020, the detail of the heading "Valuation adjustments: Accrued interest receivable (+)" is composed by interest pending payment with Banco Santander, S.A., Kas Bank and Bankinter for an amount of 5,803.46 euros and 3,465.98 euros, respectively.

The transactions outstanding at 31 December 2021 and 2020 mentioned above have been settled during the month of January 2022 and 2021, respectively.

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The breakdown of the heading "Debts owed to private individuals" as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	2020
<b>Debts owed to private individuals</b>		
Transitional balances related to securities transactions	4 888 728.60	2 577 885.13
Other payables	432 660.00	420 728.39
	<u>5 321 388.60</u>	<u>2 998 613.52</u>

The breakdown of the heading "Transitional balances related to securities transactions" as at 31 December 2021 and 2020 is as follows:

	Euros	
	2021	2020
Resident customers deposits	4 760 763.53	2 408 669.74
Creditors foreign currency (Note 3.e)	116 131.76	136 210.96
Non-resident customer deposits	11 833.31	33 004.43
	<u>4 888 728.60</u>	<u>2 577 885.13</u>

Details of "Other payables" at 31 December 2021 and 2020 are as follows:

	Euros	
	2021	2020
Guarantees received from Group companies (Note 19)	275 063.97	234 928.40
Payable to Group companies (Note 19)	3 873.73	44 606.61
Payable in foreign currencies (Note 3.e)	107 508.59	90 049.49
Creditors euros	46 213.71	51 143.89
	<u>432 660.00</u>	<u>420 728.39</u>

### 13. Other assets and Other liabilities

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

	Euros	
	2021	2020
Other	8 708.42	38 059.88
Taxes receivable from public authorities	825.00	825.00
	<u>9 533.42</u>	<u>38 884.88</u>

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

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Tax Authorities, IRPF withholdings	73 033.80	196 929.31
Social Security, creditors	62 012.18	64 680.24
Other liabilities not related to securities transactions	57 297.62	62 652.70
Tax Authorities, VAT pass	8 355.39	21 348.84
Other tax	127 372.89	10 012.64
	<b>328 071.88</b>	<b>355 623.73</b>

#### 14. Asset and liability accruals and deferrals

At 31 December 2021 and 2020, "Accruals and deferrals" includes accrued expenses not yet due for the Company's own operations amounting to 111,378.53 euros and 114,166.50 euros, respectively.

The detail of the balance sheet item "Accruals and deferrals" on the liabilities side as at 31 December 2021 and 2020 is as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Creditors Invoices to be received	590 379.59	442 056.31
Remunerations to be paid	559 667.38	560 631.20
Other accruals	2 499.96	3 499.97
	<b>1 152 546.93</b>	<b>1 006 187.48</b>

The heading "Remuneration to be paid" includes at 31 December 2021 and 2020 remuneration payable to employees amounting to 559,667.38 euros and 560,631.20 euros, respectively, which were paid in February 2022 and 2021, respectively.

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#### 15. Equity

Details of shareholders' equity at 31 December 2021 and 2020 and the movement during those years are shown below:

	Euros				
	31.12.20	Transfer between equity amounts	Other movements	Profit of the year	31.12.21
Share capital	15 000 000.00	-	-	-	15 000 000.00
	15 000 000.00	-	-	-	15 000 000.00
Legal Reserve	3 000 000.00	-	-	-	3 000 000.00
Voluntary Reserve	-	-	-	-	-
	3 000 000.00	-	-	-	3 000 000.00
Profit of the year	(19 924.04)	19 924.04	-	(1 231 171.02)	(1 231 171.02)
Remaining	-	-	-	-	-
Negative results from previous exercises	(357 965.56)	(19 924.04)	-	-	(377 889.60)
Interim dividend	-	-	-	-	-
	17 622 110.40	-	-	(1 231 171.02)	16 390 939.38

	Euros				
	31.12.19	Transfer between equity amounts	Other movements	Profit of the year	31.12.20
Share capital	15 000 000.00	-	-	-	15 000 000.00
	15 000 000.00	-	-	-	15 000 000.00
Legal Reserve	3 000 000.00	-	-	-	3 000 000.00
Voluntary Reserve	557 649.41	( 557 649.41)	-	-	-
	3 557 649.41	( 557 649.41)	-	-	3 000 000.00
Profit of the year	( 915 614.97)	915 614.97	-	( 19 924.04)	( 19 924.04)
Remaining	-	-	-	-	-
Negative results from previous exercises	-	( 357 965.56)	-	-	( 357 965.56)
Interim dividend	-	-	-	-	-
	17 642 034.44	-	-	( 19 924.04)	17 622 110.40

As at 31 December 2021 and 2020, the share capital is represented by 1,000,000 shares of 15 euros each, fully subscribed and paid up as follows:

	Shares number	Percentage of shares
CIMD, S A	999 990	99.999%
CIMD, S V , S A	10	0.001%
	1 000 000.00	100%

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The legal reserve will be registered in accordance to the article 274 of the Spanish Corporate Act, 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 enough reserves available for such aim do not exist, it must be answered with future benefits.

#### 16. Proposed distribution of results

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

	Euros	
	<u>2021</u>	<u>2020</u>
<b>Profit / (Loss) of the year</b>	<u>(1 231 171.02)</u>	<u>(19 924.04)</u>
<b>Distribution</b>		
Losses from previous years	<u>(1 231 171.02)</u>	<u>(19 924.04)</u>
	<u>(1 231 171.02)</u>	<u>(19 924.04)</u>

#### 17. Tax situation

The Company is taxed under the consolidated tax regime together with CIMD, S.A., CIMD, S.V., S.A., Intermoney, 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 years 2021 and 2020 and the books and the taxable income is as follows:

	Euros	
	<u>2021</u>	<u>2020</u>
Profits before taxes	(1 638 663.90)	(25 987.80)
Permanent differences	<u>70 026.34</u>	<u>44 005.74</u>
Taxable income	<u>(1 568 637.56)</u>	<u>18 017.94</u>
Tax quote (25%)	392 159.39	(4 504.48)
Deductions	<u>15 333.49</u>	<u>10 568.24</u>
Income tax	<u>407 492.88</u>	<u>6 063.76</u>

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The balance receivable (payable) with the parent in respect of corporate income tax (Note 19) is as follows:

	Euros	
	<u>2021</u>	<u>2020</u>
Income tax	407 492.88	6 063.76
Payments on accounts and withholdings during the year	-	-
Accounts receivable (payable)	<u>407 492.88</u>	<u>6 063.76</u>

A breakdown of the heading "Current Tax assets" at 31 December 2021 and 2020 is provided below:

	Euros	
	<u>2021</u>	<u>2020</u>
<b>Tax assets:</b>		
Current tax assets – Income Tax	<u>23 400.24</u>	<u>23 400.24</u>
	<u>23 400.24</u>	<u>23 400.24</u>

Tax assets and liabilities are offset against each other if, at the time, the Company has an enforceable right to offset the amounts recognised and its intention is to settle the net amount or realize the asset and cancel the liability simultaneously.

The Company's returns for all applicable taxes are open to inspection by the tax authorities.

Due to the different interpretations of which tax legislation is applicable to certain transactions, there could be contingent tax liabilities. However, in the opinion of the Parent Company's tax advisors, the likelihood of these liabilities arising is remote and, in any event, the tax debt that could arise from them would not have a significant effect on the accompanying annual accounts.

#### 18. Risk and commitment accounts and Other off-balance sheet accounts

The breakdown of the heading "Guarantees and sureties given" as at 31 December 2021 and 2020 is as follows:

	Euros	
	<u>2021</u>	<u>2020</u>
Collateral - Euroclear	500 000.00	2 000 000.00
Bonds and guarantees constituted with BME	1 994 912.00	1 667 325.71
Caceis Guarantees	<u>2 226 503.00</u>	-
	<u>4 721 415.00</u>	<u>3 667 325.71</u>

The nominal value of the futures arranged by the Company at 31 December 2021 and 2020, for an amount of 1,402,633.93 euros and 1,176,504.64 euros, respectively, is recognised under "Financial Derivatives" under the Company's Risk and commitment accounts.

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The variations during the 2021 and 2020 years of financial derivatives are as follows:

	<u>31.12.20</u>	<u>Increase</u>	<u>Decrease</u>	<u>Euros</u> <u>31.12.21</u>
Eurex Futures	1 176 504.64	371 790.13	(145 660.84)	1 402 633.93
	<u>1 176 504.64</u>	<u>371 790.13</u>	<u>(145 660.84)</u>	<u>1 402 633.93</u>

	<u>31.12.19</u>	<u>Increase</u>	<u>Decrease</u>	<u>Euros</u> <u>31.12.20</u>
Eurex Futures	1 180 643.18	240 043.67	(244 182.21)	1 176 504.64
	<u>1 180 643.18</u>	<u>240 043.67</u>	<u>(244 182.21)</u>	<u>1 176 504.64</u>

The result deriving from operations with futures contracted during 2021 and 2020 amounts are a negative amount to 272,837.58 euros and a negative amount to 43,049.78 euros, respectively. These results form part of the Company's gains and losses on financial investments and are recorded under the following headings in the income statement (Note 23):

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Losses on financial investments - Trading derivatives	(344 380.85)	(338 613.73)
Gains on financial investments - Trading derivatives	71 543.27	295 563.95
	<u>(272 837.58)</u>	<u>(43 049.78)</u>

The heading "Deposits of financial instruments (market value)" as at 31 December 2021 and 2020 includes deposits from third parties, the composition of which is as follows:

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Deposits mortgage debentures	1 358 966 753.43	2 723 171 257.50
Securities deposits	111 637 355.83	108 587 625.18
Third-party titles in the Annotation Center	-	2 370 761.03
Fixed income (own account)	-	29 238.97
	<u>1 470 604 109.26</u>	<u>2 834 158 882.68</u>



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

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
National and foreign investment funds	14 741 632.45	10 970 002.38
Shares	8 945 517.73	7 529 981.53
Fixed income securities	1 745 231.09	3 085 828.85
Cash at financial intermediaries	1 033 356.26	109 585.42
	<b>26 465 737.53</b>	<b>21 695 398.18</b>

The breakdown of the number of customers and total assets managed by the Company as at 31 December 2021 and 2020, classified by band in the portfolios managed, is as follows:

<b>Tranche</b>	<b>2021</b>		<b>2020</b>	
	<b>Customers</b>	<b>Euros</b>	<b>Customers</b>	<b>Euros</b>
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
	<b>83</b>	<b>26 465 737.53</b>	<b>76</b>	<b>21 695 398.18</b>

Other off-balance sheet items as at December 31, 2021 and 2020 are as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Own and third-party financial instruments held by other institutions (market value)	8 063 973.88	7 086 580.72
Unconditional cash on demand at credit institutions	5 000 000.00	5 000 000.00
Client orders for the sale of securities pending settlement	414 442.06	4 116.29
Customer orders to purchase securities pending settlement	382 424.44	31 382.64
	<b>13 860 840.38</b>	<b>12 122 079.65</b>

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#### 19. Balances and transactions with related parties

The detail of balances with Group companies as at 31 December 2021 and 2020 is as follows:

	<u>2021</u>	<u>Euros 2020</u>
<b>Loans to financial intermediaries (Note 8)</b>	<b>107 160.89</b>	<b>9.388.40</b>
Intermoney Gestión, S.G.I.I.C., S.A.	5 382.64	6 250.00
CIMD (Dubai), Ltd.	3 138.40	3 138.40
CIMD, S.V., S.A.	98 639.85	-
<b>Credit to individuals (Note 9)</b>	<b>7 020 940.82</b>	<b>6 685 579.29</b>
CIMD, S.A. - Loans granted to related parties	4 996 035.32	4 999 086.02
CIMD, S.A. - Income tax for the year 2021 (Note 17)	407 492.88	-
CIMD, S.A. - Income tax for the year 2020 (Note 17)	6 063.76	6 063.76
CIMD, S.A. - Income tax for 2019	274 625.11	274 625.11
CIMD, S.A. - Income tax for 2018	1 324 360.31	1 324 360.31
CIMD, S.A. - Tax effect	12 363.44	12 363.44
Intermoney, S.A.	-	68 930.75
Wind to Market, S.A.	-	149.90
	<u>2021</u>	<u>Euros 2020</u>
<b>Payable to financial intermediaries (Note 12)</b>	<b>291 454.24</b>	<b>253 830.61</b>
CIMD, S.V., S.A.	291 454.24	253 830.61
Intermoney Titulización, S.G.F.T., S.A.	-	-
<b>Debts owed to private individuals (Note 12)</b>	<b>278 937.70</b>	<b>279 535.01</b>
CIMD, S.A. - Deposits received	275 063.97	234 928.40
CIMD, S.A. - Other accounts payable	3 873.73	44 606.61

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The breakdown of Income and expenses with Group companies as at 31 December 2021 and 2020 is as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
<b>Interest, dividends and similar income from financial assets</b> (Note 20)	66 275.50	69 507.31
CIMD, S.A.	66 275.50	69 507.31
<b>Commissions received</b> (Note 21)	165 877.59	147 461.89
Intermoney Gestión, S.G.I.I.C., S.A.	129 877.59	111 461.89
CIMD, S.V., S.A.	36 000.00	36 000.00
<b>Commissions and brokerage fees paid</b> (Note 22)	-	3.96
CIMD, S.V., S.A.	-	3.96
<b>Overheads</b> (Note 25)	324 525.46	318 737.00
Rents over assets and installations	221 182.76	218 259.60
Other services of independent professionals	55 040.00	53 600.00
Insurance	23 054.63	20 161.74
Supplies	12 528.56	14 276.10
Communications	9 706.55	9 426.59
Other services	3 012.96	3 012.97

#### 20. Interest margin

The interest margin obtained by the Company as at 31 December 2021 and 2020 is as follow:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
<b>Interest, dividends and similar incomes from financial assets</b>		
Loan interests – Group companies (Notes 9 and 19)	66 275.50	69 507.31
Other interest and incomes	5 739.57	13 077.04
	72 015.07	82 584.35
<b>Interest and similar charges from financial liabilities</b>		
Other financial expenses	(68 722.97)	(54 277.27)
<b>Interest margin</b>	3 292.10	28 307.08

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#### 21. Commissions received

The breakdown of the heading "Commissions received" as at 31 December 2021 and 2020 is as follow:

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Processing and execution of client orders for the purchase and sale of securities	3 689 403.79	3 840 600.35
Underwriting and placement of issues	61 598.53	47 379.86
Marketing of Collective Investment Institutions	426 563.90	355 800.40
Deposit and book-entry of securities	93 331.17	65 581.15
Portfolio management	118 856.01	132 868.95
Investment advisory services	58 690.21	60 476.16
Fees for the preparation of investment reports and financial analysis	150 966.20	88 849.93
Other fees	330 894.75	502 241.47
	<u>4 930 304.56</u>	<u>5 093 798.27</u>

At 31 December 2021 and 2020, commissions received from Group companies amount to 165,877.59 euros and 147,461.89 euros, respectively (Note 19).

#### 22. Commissions and brokerage fees paid

Details of the heading "Commissions and brokerage fees paid" at 31 December 2021 and 2020 are as follows:

	<u>2021</u>	<u>Euros</u> <u>2020</u>
Securities transactions	1 087 786.77	1 141 493.83
Fees paid to agents and other entities	486 944.16	518 122.85
Derivative transactions	2 700.00	10 500.00
Other fees and commissions	7 677.96	1 600.00
	<u>1 585 108.89</u>	<u>1 671 716.68</u>

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#### 23. Gains and losses on financial investments

Details of the gains and losses on financial investments as of 31 December 2021 and 2020 are as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Gains on financial investments	3 247 614.33	3 838 977.47
Other fixed income securities domestic portfolio (Note 6)	2 818 389.92	3 157 582.00
Shares and participating interests domestic portfolio (Note 7)	345 204.12	359 090.97
Equities foreign portfolio	12 477.02	26 470.55
Trading derivatives (Note 18)	71 543.27	295 563.95
Losses on financial investments	( 427 988.85)	( 697 046.09)
Other fixed income securities domestic portfolio	( 8 716.11)	( 3 847.94)
Shares and participating interests domestic portfolio (Note 7)	( 74 891.89)	( 354 584.42)
Trading derivatives (Note 18)	( 344 380.85)	( 338 613.73)
	<b>2 819 625.48</b>	<b>3 141 931.38</b>

At 31 December 2020, commissions paid to Group companies amounted to 3.96 euros (Note 19).

#### 24. Staff costs

The breakdown of the heading "Staff costs" as at 31 December 2021 and 2020 are as follows:

	<b>Euros</b>	
	<b>2021</b>	<b>2020</b>
Salaries and bonuses	3 493 119.29	3 759 751.90
Social Security contributions	598 298.65	590 283.21
Other staff costs	103 957.50	116 129.66
Severance payments	29 177.38	18 823.06
	<b>4 224 552.82</b>	<b>4 484 987.83</b>

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#### 25. Overheads and Impairment losses on non-financial assets

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

	Euros	
	2021	2020
Communication	960 772.19	901 238.77
Rental and installations	265 801.07	264 094.16
Conservation and repair	234 643.91	241 293.67
Other services of independent professionals	269 034.55	185 460.65
Public Relations and Publicity	105 394.96	109 997.70
Other services	67 824.13	69 236.21
Banking services	25 532.40	30 838.16
Donations and penalties	45 425.39	29 832.81
Representation and displacements	18 009.74	25 053.41
Insurance	23 054.63	20 161.74
Supplies	15 004.30	17 274.08
	<u>2 030 497.27</u>	<u>1 894 481.36</u>

The parent company of the Group, CIMD, SA, as of December 31, 2021 and 2020, has invoiced the Company amounts for the rental of real estate and facilities, other services of independent professionals, insurance, supplies, communications and other services (Note 19).

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

#### 26. Information on the average payment period for trade payables. Third additional provisions "Duty of information" of Law 15/2010, of 5 July 2010

According to 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 in 2021 and 2020 is as follows:

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	<u>2021</u>	<u>2020</u>
	<u>Days</u>	<u>Days</u>
Average payment period for trade payables	35.96	19.68
Ratio of paid operations	37.71	20.18
Ratio of pending payment transactions	15.87	13.84
	<u>Euros</u>	<u>Euros</u>
Total payments	2 344 863.35	2 365 972.44
Total pending payments	204 155.13	202 931.54

#### 27. Other information

The members of the Company's Board of Directors have accrued salaries and remuneration during 2021 and 2020 amounting to 303 thousand euros and amounting to 353 thousand euros, respectively. During fiscal years 2021 and 2020, the Company paid a total amount of 2 thousand euros in both years for life insurance premiums and 5 thousand euros in both years for civil liability insurance premiums.

At 31 December 2021 and 2020 no advances or loans have been granted to such members of the Board of Directors.

The Board of Directors of the Company at 31 December 2021 consists of two men and a woman.

The external auditors' fees corresponding to the audit of the Company for the 2021 and 2020 annual periods amounted to 32 thousand euros in 2021 and 31 thousand euros, respectively, having provided other services for a total amount of 14 thousand euros and 13 thousand of euros, respectively. The Company has not paid fees to other companies under the name PricewaterhouseCoopers for other services during the years 2021 and 2020.

The Company's overall operations are subject to laws related to environmental protection ("environment laws") and the health and safety of the workers ("safety at work laws"). The Group considers that the requirements of these laws are substantially met and that they have procedures designed to promote and guarantee compliance therewith.

The Company has 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 years 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 Company's directors 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 conflicts of interest which should have been reported in accordance with Article 229 of said Act.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

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

#### **28. Client attention department**

Pursuant to Order ECO 734/2004 of 11 March, the head of the Customer Service Department received four customer enquiries during financial year 2021, which were not considered complaints or claims, but were resolved through the Customer Service Department as they were received through this channel. The Company did not receive any complaints or claims during financial year 2020.

#### **29. 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 affecting the economy in general and companies with operations with and in Russia in particular. The degree of impact of this war on the Company's business will depend on the evolution of future events that cannot be reliably predicted at the date of preparation of these financial statements. In any event, notwithstanding the uncertainty, based on the information currently available, the directors of the Company consider that the Company's income statement should not be materially affected.

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



## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2021**

#### **Economic and commercial environment**

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 European Central Bank (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.

The potential economic recovery has been hindered by the paralysis of key sectors due to the health crisis with the consequent impact on GDP and the scarce visibility of a certain recovery in the short term.

In fixed income, investors have had to go all the way to 2029 in the Treasury to find positive yields with 10-year yields 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 corporate fixed income investment, primary fixed income notes were 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 show the value that the idea or proposal of intermediation can often bring.

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

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

Within the Spanish market, more and more volume is concentrated in closing auctions to the detriment of secondary market volume, and now only 51% of the volume is traded in the secondary market while the rest is traded in closing and block auctions.

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 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.

#### **Activity of Intermoney Valores, S V, S A**

Intermoney Valores, S.V., S.A. continues to be a benchmark in the Corporate Fixed Income market and has done a good job in this difficult environment. The average margin per transaction has declined significantly, but a somewhat higher operating recurrence has sufficiently compensated and allowed us to almost meet our budget.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2021**

Neither the power and coverage of our analysis of Spanish stocks, nor our model portfolio (which outperformed the IBEX 35 by 24% and obtained an absolute return of 31%) were determining factors in the performance of the equities area. Once again, 39 companies are trying to survive in a sector unable to find its survival vector in consolidation.

Our research coverage now stands at 43 companies, with a projected 50 by 2022, and we have ranked in the top 5 in 70% of our recommendations. Some of our products are among the most highly rated in the market (ESG labels, factor investing, AllCaps, etc.).

Profit after tax for the financial year 2021 was -1.231 thousand euros.

#### **Risk and uncertainties**

Despite the explicit recognition that has been made of the damage caused by regulation in the ability to analyze listed companies, even trying to reverse part of that regulation, the reality of an increasingly fragmented and illiquid market with decreasing volumes makes our ability to be profitable goes through some consolidation of the sector.

In Fixed Income, the threat of regulation (understood as better execution) and its application in the strict sense of better price = better execution, reduces the capacity of our contribution as value-added intermediaries and gives prominence to our own execution tables that electronically auction their operations. However, we anticipate a new year of lower income, but profitable for the area.

#### **Previsions for the 2022 year**

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.

#### **Treasury shares**

During 2021, the Company neither owns nor has carried out any business with treasury shares.

#### **Research and development and the environment**

In the course of 2021, no investment in R&D has been made and the Company 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.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2021**

#### **Report on risk management**

Considering its activity, the use of financial instruments by the Company is intended to achieve its social object, adjusting its objectives and policies for managing market, credit and liquidity risks in accordance with current legislation.

#### **Average Supplier Payment Period Information**

During the 2021 financial year, the Company has not made payments that would accumulate deferments greater than those legally established other than those described in the annual accounts report. In addition, at the end of 2021, the Company has no outstanding balance accumulating a deferment greater than the statutory period established.

#### **Subsequent events after the reporting period**

There have been no significant subsequent events from the close of the 2021 other than those in Note 29.

## **INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

### **ANNUAL REPORT OF INVESTMENT FIRMS FOR THE FINANCIAL YEAR 2021**

In compliance with the provisions of Article 192 "Annual Report of Investment Services Companies", of Royal Legislative Decree 4/2015 of 23 October, approving the revised text of the Securities Market Act, this document presents the information required at December 31, 2021.

Description:	INTERMONEY VALORES, SOCIEDAD DE VALORES, S A
Nature:	Investment Services Company
Location:	Madrid (Spain)
Turnover:	4,930 thousand euros
Number of full time employees <sup>1</sup> :	41
Gross profit before tax:	(1.638) thousand euros
Tax on profit:	(407) thousand euros
Subsidies or public aid received:	None
Return on assets:	- 1.66%

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<sup>1</sup> It does not include interns.

**INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.**

**DRAWING UP OF THE ANNUAL ACCOUNTS AND DIRECTOR'S REPORT FOR 2021**

The Board of Directors of Intermoney Valores, Sociedad de Valores, S.A., at its meeting held on 11 March 2022, and in compliance with current legislation, drew up the annual accounts and management report of the Company for the year ended 31 December 2021, signed by the Directors, drawn up in two copies, all on Government stamped paper, numbered consecutively and printed on one side, as follows:

<u>Exemplary</u>	<u>Document</u>	<u>Number of sheets on stamped paper</u>
First copy	Annual accounts Management Report	Del 005900124 al 005900210 Del 005900211 al 005900214
Second copy	Annual Accounts Management Report	Del 005900215 al 005900301 Del 005900302 al 005900305

\_\_\_\_\_  
D. Javier de la Parte Rodríguez

\_\_\_\_\_  
D. Emanuel Guilherme Louro da Silva

\_\_\_\_\_  
Dña. Beatriz Senís Gilmartín





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