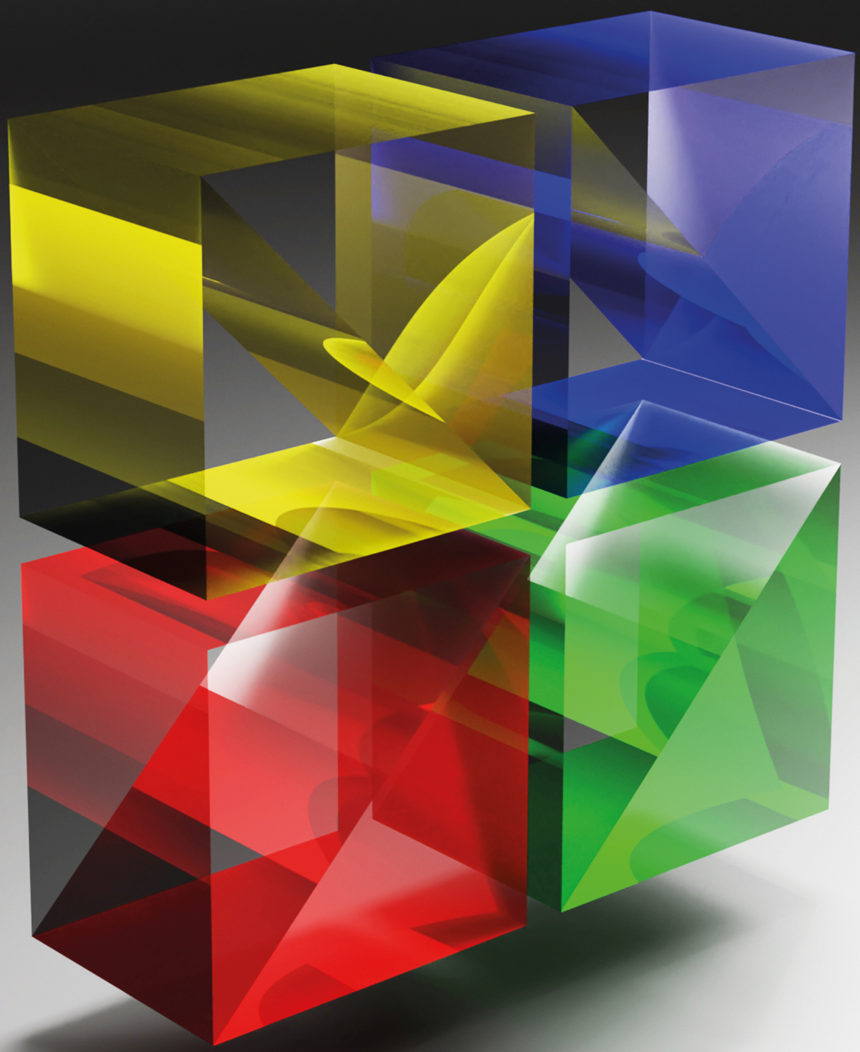
intermoney valores sv

2020

Intermoney Valores Sociedad de Valores S.A.

Annual Accounts as at 31 December, 2020
Auditor's Report
Directors' Report



Annual accounts

Intermoney Valores, Sociedad de Valores, S.A.

Auditor's Report,
Annual accounts as at 31 December, 2020
and Director's Report 2020

INITIALLED FOR PURPOSES
PRICEWATERHOUSE COOPERS, S.L.

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.

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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.:

Opinion

We have audited the consolidated annual accounts of Intermoney Valores, Sociedad de Valores, S.A. (the company), which comprise the balance sheet as at 31 December 2020, 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 2020, 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.

Basis for opinion

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

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the 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.

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R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit
Recognition of income from brokerage commissions The recording of brokerage commissions for the purchase and sale of financial instruments is the Company's main source of income. The processing of equity orders is especially relevant both in foreign markets and in national secondary markets. Likewise, as detailed in Note 1 of the report, the Company provides various financial advisory services, as well as asset placement and emission assurance. 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. See Note 19 of the Annual Accounts as of December 31, 2020.	Our work has focused on the analysis, evaluation and verification of internal control, as well as on detailed tests. 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. Additionally, we have carried out detailed tests consisting of: • Confirmation of the balances held in cash accounts in financial institutions and verification of the corresponding bank reconciliations. • Verification of settlement for a sample of invoices issued. • Verification of settlement for a sample of invoices issued. • Verification of the income recorded by the advisory services by reviewing a sample of operations. • Re-execution of the calculation of provisions for insolvency of those clients that present defaults. • Verification of compliance with the maximum rates detailed in the rate included on the CNMV website in the case of retail clients. • Our work also included checking the absence of unusual entries on the accounting accounts in which this income is recorded. No differences, above a reasonable range, have been identified in the tests described above regarding the recognition of income from commissions of the Company.

Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit
Revenue recognition from Matched Principal operations As indicated in Note 1 of the report, the Company's activity focuses, among others, on trading on its own account. 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. This intermediation process is highly automated, involving different IT applications and different departments. 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. See Notes 6 and 21 of the Annual Accounts as of December 31, 2020.	Our work has focused on the analysis, evaluation and verification of internal control, as well as on detailed tests. Regarding the internal control system, we have proceeded to understand the process of intermediation of fixed income for own account. Additionally, we have carried out detailed tests consisting of: • Verification of the correct accounting record of income for a sample of transactions, verifying their existence, accuracy and accrual. • Verification of the correct settlement for a sample of purchase and sale operations, respectively. • Our work also included checking the absence of unusual entries on the accounting accounts in which this income is recorded. 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.

Other information: Management report

Other information comprises only the management report for the 31 December, 2020 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 Company 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 31 December, 2020 financial year, and its content and presentation are in accordance with the applicable regulations.

Responsibility of the Company's directors for the annual accounts

The Company's 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 Company in Spain, and for such internal control as the aforementioned determine 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 Company's 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 aforementioned directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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 Company's internal control.

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

- Conclude on the appropriateness of the Company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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

We communicate with the Company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the directors of the Company, 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.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Javier Pato Blázquez (22313)

15 April 2021

INITIALLED FOR PURPOSES
PRICEWATERHOUSE COOPERS, S.L.

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

BALANCE SHEET AT 31 DECEMBER 2020
(Expressed in Euros)

Assets	**2020**	**2019(*)**
Treasury (Note 5)	**2 780 769.60**	**2 540 552.74**
Trading Portfolio (Note 6)	**6 458 997.27**	**9 231 124.09**
Debt securities	4 511 321.09	7 287 954.46
Equity instruments	1 947 676.18	1 943 169.63
Derivatives	-	-
Other financial assets	-	-
Pro notes to accounts: Lent or under guarantee	-	-
Other financial assets at fair value through profit or loss	**-**	**-**
Debt securities	-	-
Other equity instruments	-	-
Other financial assets	-	-
Pro notes to accounts: Lent or under guarantee	-	-
Available-for-sale financial assets	**1 000.00**	**1 600.00**
Debt securities	-	-
Equity instruments (Note 6)	1 000.00	1 600.00
Pro notes to accounts: Lent or under guarantee	-	-
Loans and receivables	**33 375 833.68**	**13 444 548.45**
Loans and advances to financial intermediaries (Note 7)	26 682 138.72	6 802 020.28
Loans and advances to customers (Note 8)	6 693 694.96	6 642 528.17
Other financial assets	-	-
Held-to-maturity investments	-	-
Pro notes to accounts: Lent or under guarantee	-	-
Hedging derivatives	**-**	**-**
Non-current assets held for sale	**305.00**	**305.00**
Debt securities	-	-
Equity instruments	305.00	305.00
Tangible assets	-	-
Other	-	-
Investments	**-**	**-**
Group entities	-	-
Jointly-controlled entities	-	-
Associates	-	-
Insurance contracts linked to pensions	-	-
Tangible assets (Note 9)	**136 053.71**	**181 300.93**
For own use	136 053.71	181 300.93
Investment properties	-	-
Intangible assets (Note 10)	**43 414.08**	**35 636.33**
Goodwill	-	-
Other intangible assets	43 414.08	35 636.33
Tax assets	**23 400.24**	**23 400.24**
Current (Note 8)	23 400.24	23 400.24
Deferred	-	-
Other assets (Note 8)	**153 051.38**	**122 499.89**
Total assets	**42 972 824.96**	**25 580 967.67**

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

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

BALANCE SHEET AT 31 DECEMBER 2020
(Expressed in Euros)

Liabilities and equity	2020	2019(*)
Trading portfolio	-	-
Other financial liabilities at fair value through profit or loss	-	-
Other financial liabilities at fair value through equity	-	-
Financial liabilities at amortised cost	**23 988 903.35**	**6 789 479.94**
Financial intermediaries debts (Note 11)	20 990 289.83	5 269 743.71
Customer debts (Note 11)	2 998 613.52	1 519 736.23
Loans and subordinated liabilities	-	-
Other financial liabilities	-	-
Hedging derivatives	-	-
Liabilities associated with non-current assets held for sale	-	-
Provisions	-	-
Provisions for pensions and similar obligations	-	-
Provisions for taxes and other legal contingent	-	-
Other provisions (Note 12)	-	-
Tax liabilities	-	-
Current (Note 15)	-	-
Deferred	-	-
Other liabilities (Note 12)	**1 361 811.21**	**1 149 453.29**
Total liabilities	**25 350 714.56**	**7 938 933.23**
Equity (own funds) (Note 13)	**17 622 110.40**	**17 642 034.44**
Capital	**15 000 000.00**	**15 000 000.00**
Registered	15 000 000.00	15 000 000.00
Less: Capital nondemanded	-	-
Share Premium	-	-
Reserves	**3 000 000.00**	**3 557 649.41**
Other equity instruments	-	-
Less: Treasury shares	-	-
Results from previous years	**(357 965.56)**	-
Remaining	(357 965.56)	-
Profit or loss for the period (Notes 13 and 14)	**(19 924.04)**	**(915 614.97)**
Less: Dividends and remuneration (Notes 13 and 14)	-	-
Valuation adjustments	-	-
Available-for-sale financial assets	-	-
Cash-flow Hedges	-	-
Hedges of net investments in foreign operations	-	-
Exchange differences	-	-
Other valuation adjustments	-	-
Grants, donations and legacy	-	-
Total liabilities and equity	**42 972 824.96**	**25 580 967.67**

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

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

BALANCE SHEET AT 31 DECEMBER 2020
(Expressed in Euros)

Off-Balance-Sheet	**2020**	**2019(*)**
Bank and granted guarantees (Note 16)	3 667 325.71	4 115 966.10
Other contingent liabilities	-	-
Financial asset forward purchase commitments	-	-
Own values assigned as lendings	-	-
Payouts engaged by issues ensured	-	-
Own securities orders pending execution (Note 16)	-	-
Financial derivatives (Note 16)	1 176 504.64	1 180 643.18
Other risks accounts	-	-
Total risk and commitment accounts	**4 843 830.35**	**5 296 609.28**
Security deposits (Note 16)	2 834 158 882.68	4 249 351 475.81
Managed portfolios (Note 16)	21 695 398.18	22 801 206.42
Other off-balance sheet items (Note 16)	12 122 079.65	13 278 856.21
Total other off-balance sheet accounts	**2 867 976 360.51**	**4 285 431 538.44**

(*)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 2020
(Expressed in Euros)

	2020	2019(*)
Interest and similar incomes	82 584.35	107 232.12
Interest expenses and similar charges	(54 277.27)	(50 403.73)
Interest margin (Note 18)	**28 307.08**	**56 828.39**
Return on equity instruments	-	-
Fees and commissions incomes (Note 19)	5 048 614.45	4 512 346.94
Fees and commissions expenses (Note 20)	(1 626 532.86)	(1 394 394.57)
Gains and losses on financial assets and liabilities (net)	**3 141 931.38**	**2 491 401.07**
Held for trading (Note 21)	3 141 931.38	2 491 401.07
Other financial instruments at fair value through profit or loss	-	-
Financial instruments not valued at fair value through profit and loss	-	-
Others	-	-
Foreign currencies differences (net)	**(38 121.85)**	**(461.95)**
Other operating incomes		**-**
Other operating charges (Note 23)	**(48 500.04)**	**(1 619.00)**
Gross margin	**6 505 698.16**	**5 664 100.88**
Personnel expenses (Note 22)	(4 484 987.83)	(4 373 982.04)
Other administrative expenses (Note 23)	(1 960 790.48)	(2 393 841.87)
Depreciation and amortizations (Notes 9 and 10)	(81 501.59)	(105 987.11)
Provisioning expenses (net)		-
Impairment losses (net)	**(4 468.25)**	**(6 867.96)**
Loans and receivables (Note 7)	(4 468.25)	(6 867.96)
Other financial instruments not valued at fair value through profit and loss	-	-
Operating incomes or expenses	**(26 049.99)**	**(1 216 578.10)**
Impairment losses from other assets (net)	**(76.96)**	**-**
Tangible assets (Note 9)	-	-
Intangible assets (Note 10)	(76.96)	-
Other	-	-
Gains / (Losses) on assets dropped not classified as not current on sales	139.15	-
Loss difference on combinations of businesses	-	-
Profits / (Losses) from non-current asset held for sales not classified as interrupted operations	-	-
Profit or loss before income tax	**(25 987.80)**	**(1 216 578.10)**
Income tax (Note 15)	6 063.76	300 963.13
Profit or loss for the period (Notes 13 and 14)	**(19 924.04)**	**(915 614.97)**
Earnings per share - Basic	(0.01992404)	(0.91561497)
Earnings per share - Diluted	(0.01992404)	(0.91561497)

(*)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 2020
(Expressed in Euros)

a) Statement of recognised income and expense

	2020	2019(*)
Profit or loss for the year (Notes 13 and 14)	**(19 924.04)**	**(915 614.97)**
Other recognised incomes and expenses	**-**	**-**
Available-for-sale financial assets	**-**	**-**
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Other reclassifications	-	-
Cash flow hedge	**-**	**-**
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Amounts transferred to hedge amounts' initial	-	-
Other reclassifications	-	-
Net foreign (international) business investments Hedge	**-**	**-**
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Other reclassifications	-	-
Exchange differences	**-**	**-**
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Other reclassifications	-	-
Non-current assets held for sale	**-**	**-**
Gains / (Losses) by measure	-	-
Amounts transferred to profit and loss account	-	-
Other reclassifications	-	-
On actuarial gains and losses	**-**	**-**
Other recognised incomes and expenses	**-**	**-**
Income tax	**-**	**-**
Total recognised incomes and expenses	**(19 924.04)**	**(915 614.97)**

(*)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 2020
(Expressed in Euros)

b) Total statement of changes in equity

	Capital	Reserves	Interim dividend	Profit or loss from last year	Profit or loss for the year	Total Equity	Valuation adjustments	Total Net Equity
Balance at 2018 year end (*)	**15 000 000.00**	**5 807 394.29**	**-**	**0.17**	**(2 249 745.11)**	**18 557 649.35**	-	**18 557 649.35**
Adjustments by corrections	-	-	-	-	-	-	-	-
Adjusted balance, beginning 2019 (*)	**15 000 000.00**	**5 807 394.29**	**-**	**0.17**	**(2 249 745.11)**	**18 557 649.35**	-	**18 557 649.35**
Total recognised incomes and expenses	-	-	-	-	(915 614.97)	(915 614.97)	-	(915 614.97)
Other movements in equity								
Increase of other equity instruments	-	-	-	-	-	-	-	-
Decrease of other equity instruments	-	-	-	-	-	-	-	-
Dividend payment / shareholders' remuneration	-	-	-	-	-	-	-	-
Transfer between equity amounts	-	(2 249 744.88)		(0.17)	2 249 745.11	0.06	-	0.06
Other increase / (decrease) in equity	-	-	-	-	-	-	-	-
Balance at 2019 year end (*)	**15 000 000.00**	**3 557 649.41**	**-**	**-**	**(915 614.97)**	**17 642 034.44**	-	**17 642 034.44**
Adjustments by corrections	-	-	-	-	-	-	-	-
Adjusted balance, beginning 2020	**15 000 000.00**	**3 557 649.41**	**-**	**-**	**(915 614.97)**	**17 642 034.44**	**-**	**17 642 034.44**
Total recognised incomes and expenses	-	-	-	-	(19 924.04)	(19 924.04)	-	(19 924.04)
Other movements in equity								
Increase of other equity instruments	-	-	-	-	-	-	-	-
Decrease of other equity instruments	-	-	-	-	-	-	-	-
Dividend payment / shareholders' remuneration	-	-	-	-	-	-	-	-
Transfer between equity amounts	-	(557 649.41)	-	(357 965.56)	915 614.97	-	-	-
Other increase / (decrease) in equity	-	-	-	-	-	-	-	-
Balance at 2020 year end	**15 000 000.00**	**3 000 000.00**	**-**	**(357 965.56)**	**(19 924.04)**	**17 622 110.40**	-	**17 622 110.40**

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

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Expressed in Euros)

	2020	2019(*)
Cash flows from operating activities (+/-)	**19 520 182.82**	**(11 921 305.78)**
Profit or loss for the year(+/-) (Notes 13 and 14)	**(19 924.04)**	**(915 614.97)**
Adjustment to achieve cash flow from operating activities(+/-)	**(254 975.36)**	**(575 871.30)**
Depreciation and amortization (Note 9 and 10)	81 501.59	105 987.11
Losses (net) by assets impairment (+/-) (Note 9)	76.96	-
Provisioning risk expense (net)(+/-) (Note 7)	4 468.25	6 867.96
Profit / Losses by sales of non-financial assets (+/-)	-	-
Profit /Losses by sales of interest in subsidiaries (+/-)	-	(623 772.18)
Other items (+/-)	(341 022.16)	(64 954.19)
Adjusted result (+/-)	**(274 899.40)**	**(1 491 486.27)**
Net increase (decrease) operating assets (+/-)	**2 082 337.76**	**(1 264 231.03)**
Loans and receivables (+/-) (Notes 7 and 8)	(658 826.87)	3 279 929.95
Held for Trading (+/-) (Note 6)	2 772 316.12	(4 592 863.88)
Other financial assets at fair value through profit or loss	-	-
Available-for-sale financial assets (+/-) (Note 6)	(600.00)	400.00
Other operating assets (+/-)	(30 551.49)	48 302.90
Net increase (decrease) operating liabilities (+/)	**17 712 744.46**	**(9 165 588.48)**
Amortised cost financial liabilities (+/-) (Note 11)	17 199 423.41	(9 036 518.45)
Held for trading (+/-)	-	-
Other financial liabilities at fair value through profit or loss (+/-)	-	-
Other operating liabilities (+/-)	212 357.92	(809 616.82)
Collections / payments for income tax (+/-)	300 963.13	680 546.79
Cash flows from financing activities (+/-)	**(45 440.15)**	**(2 767.95)**
Payments (-)	**(45 440.15)**	**(2 767.95)**
Held-to-maturity investments (-)	-	-
Shares (-)	-	-
Tangible assets (-) (Note 9)	(7 834.71)	(2 767.95)
Intangible assets (-) (Note 10)	(37 605.44)	-
Other business' units (-)	-	-
Non-current assets and sales' liabilities (-)	-	-
Other payments related to investment activities (-)	-	-

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

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
(Expressed in Euros)

	2020	2019(*)
Collections (+)	-	-
Held-to-maturity investments (+)	-	-
Shares (+)	-	-
Tangible assets (+)	-	-
Intangible assets (+)	-	-
Other business units (+)	-	-
Non-current assets and sales liabilities (+)	-	-
Other collections related to investment activities (+)	-	-
Cash flows from financing activities (+/-)	-	-
Payments (-)	-	-
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 (-)	-	-
Collections (+)	-	-
Equity instruments issues (+)	-	-
Issue and disposal own equity instruments (+)	-	-
Bonds and other marketable securities issue (+)	-	-
Issue of subordinated liabilities, loans and other finances (+)	-	-
Dividends paid and other equity instruments remuneration (-)	-	-
Effect of exchange rate fluctuations in cash or cash equivalents (+/-)	38 121.85	461.95
Net increase/decrease in cash or cash equivalents	19 512 864.52	(11 923 611.78)
Cash or cash equivalents at the beginning of the year (+/-)(Note 5)	6 546 543.57	18 470 155.35
Cash or cash equivalents at the end of the year (+/-)(Note 5)	26 059 408.09	6 546 543.57

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

1. Activity and information of a general nature

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.
- 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.

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.

- 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, November, of Collective Investment Institutions, approved by Royal Decree 1309/2005, of November 4.

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.

- They must have a minimum share capital of 2,000 thousand euros.

- They should comply with the minimum capital, liquidity and solvency requirements, in accordance with current legislation. On 28 June 2014 was published Circular 2/2014, 23 June 2014 of the CNMV on the exercising of sundry regulatory solvency options for investment service companies and their consolidable groups in accordance with Regulation (EU) 575/2013 of the European Parliament on the prudential requirements applicable to credit institutions and investment companies, and repealing previous legislation.

  Regulation (EU) No 575/2013 includes reserved prudential information, which investment firms should send ad hoc to the CNMV This information is the same information required under the framework of the single market since it is the result of the process of convergence between the member states of the European Union.

  At 31 December 2020, the Company's solvency ratio stands at 60.25% (52.77% at 31 December 2019), meaning that it has a surplus of Euros 15.245 thousand (Euros 14.937 thousand at 31 December 2019). This ratio corresponds in its entirety to "ordinary level 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, 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.

a) <u>Relevant events</u>

There have been no relevant events during 2020.

b) <u>Drawing up date</u>

On 11 March 2021 the Company’s Board of Directors prepared the annual accounts and Directors’ report for the year ended December 31, 2020.

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

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

c) Staff

By categories, the average number of staff employed by the Group during the years 2020 and 2019 is as follows:

			2020			2019
	Males	Females	Total	Males	Females	Total
Management	1	-	1	1	-	1
Staff	25	21	46	25	21	46
	26	21	47	26	21	47

During the years 2020 and 2019, there have not been employees with a disability equal or greater than 33%.

d) Branches and Representatives

As of December 31, 2020 and 2019, the Company has a representative in Spain, duly approved by the CNMV.

2. Basis of presentation of the financial statements

a) Fair presentation

The accompanying annual accounts, prepared by the Administrators of the Company, were elaborated based on the accounting records and all current mercantile legislation and rules established in the Circular 7/2008, of November 26, on accounting rules, financial statements and reserved information statements of Investment Services Companies, Collective Investment Institutions Management Companies and Venture Capital Firms Management Entities, issued by the CNMV, which was published in the B.O.E. (Official Gazette) on December 29, 2008, with the aim of showing a true image of its equity, of its financial situation, as at 31 December 2020 and the results of its operations, the changes in equity and its cash flows corresponding for the year then ended.

These annual accounts were prepared in euros.

b) Non-mandatory accounting principles

The Company has not applied any non-mandatory accounting principles thought the years ending as at 31 December 2020 and 2019.

There are no accounting principles, rules or obligatory valuation criteria, with significant effect, that have not been applied in the preparation thereof Note 3 contains a summary of the most significant accounting principles and rules and valuation criteria applied to these financial statements, the preparation of which is the responsibility of the Administrators of the Company.

c) Judgements and estimates

Judgements or estimates that may have a significant effect on the annual accounts have not been included in their preparation.

d) Critical measurement issues and estimates of uncertainty

As at 31 December 2020 and 2019, there are no uncertainties deriving from significant risks that may entail a material change in the value of assets or liabilities in the following year.

e) Changes in accounting estimates

As at 31 December 2020 and 2019, there are no changes in accounting estimates that may involve a material change in the value of assets and liabilities within the next year.

f) Consolidation

The Company forms part of the Group CIMD, whose parent company is Corretaje e Información Monetaria y de Divisas, S.A. (hereinafter CIMD, S.A.), set up in Madrid, which owns at 31 December 2020 and 2019, 99.99% of the shares of the Company. The Board of Directors of CIMD, S.A. will prepare its consolidated financial statements at 29 March 2021. Said consolidated financial statements will be filed with the Madrid Mercantile Registry once they have been approved.

As of 2008, the parent company of the Group prepares its financial statements in accordance with the Circular 7/2008, of November 26, on accounting rules, of the CNMV, financial statements and reserved information statements of Investment Services Companies, Collective Investment Institutions Management Companies and Venture Capital Firms Management Entities issued and published in the B.O.E. (Official Gazette) of 29 December 2008, and successive modifications.

g) Comparativeness of information

In addition to the figures for 2020, 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.

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) Trading Portfolio

This heading includes financial assets that have been acquired for short-term sale and are part of a portfolio of financial instruments identified and managed jointly, with respect to which recent actions have been carried out in order to obtain short-term gains. Alternatively, they are derivative instruments not designated as accounting hedges.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They are included in current assets, except for maturities greater than 12 months from the date of the balance sheet. These are classified as non-current assets.

Financial assets are initially carried at fair value, including directly attributable transaction costs, and are subsequently measured at amortised cost. Accrued interest is recognised at the effective interest rate, which is the discount rate that brings the instrument's carrying amount into line with all estimated cash flows to maturity.

ii) Other financial assets at fair value through profit or loss

This heading includes financial assets that, while not forming part of the trading portfolio, are considered hybrid financial assets and are measured in their entirety at fair value, also records assets which are managed jointly with liabilities under insurance contracts measured at fair value or through financial derivatives that aim to ensure and result in a significant decrease in exposure to variations in fair value or which are managed jointly with financial liabilities and derivatives in order to significantly reduce overall exposure to the interest rate risk.

As at 31 December 2020 and 2019 the Company has no financial instruments on this category.

iii) Available-for-sale financial assets

Corresponds to debt securities not classified as held-to-maturity investments, such as other financial assets at fair value profit or loss, loans and receivables, financial assets held for trading equity instruments in companies that are not dependent or jointly-controlled companies or associates and have not been included in the categories of financial assets held for trading, other non-current assets held for sale and other assets at fair value through profit or loss.

iv) Loans and receivables

They are financial assets not derivatives, with cash flows of a fixed or determinable amounts, in which all the disbursement made by the Company will be substantially recovered, excluding reasons imputable to debtor's insolvency, which will not be valued at fair value, and the Company will necessarily have the intention of holding until maturity.

A financial asset which is negotiated on an active market, such as a debt instrument on a quoted debt, does not comply with the requisites to be classified in this category. Nor does a participation acquired in a group of assets that are not credit or accounts receivable, such as a participation in an investment fund.

Notwithstanding the foregoing, commercial debtors are valued at the amount pending collection, deducting the necessary value corrections, allocating 25% on invoices that have expired for 6 months, 50% on those that have expired for 12 months, 75% in those that have expired for 18 months and 100% in those that have expired after 24 months.

At least at the end of the year, in cases of manifest impossibility of collection or suspension of payments, the necessary valuation corrections are made due to impairment of value, allocating up to 100% of the collection amount regardless of the time elapsed.

v) Non current assets-held for sale

Held-to-maturity financial assets are debt securities with fixed maturities and determinable cash flows in relation to which the Company has the intention and ability to hold to maturity, by having, basically, the financial ability to do so, or because they have access to related financing.

vi) Shares

Shares in subsidiaries, jointly-controlled entities and associates are stated at cost and are adjusted for any impairment losses if there is evidence. For the calculation of impairment losses the Entity compares the recoverable value (this being the higher of fair value less necessary costs to sell and value in use) with its carrying value.

Impairment losses, as well as value recoveries which arise through this valuation, are recognized immediately in the Entity's income statement.

As at 31 December 2020 and 2019, the Company has no financial instruments in this portfolio.

Accounting and measurement of financial assets

These financial assets are initially stated at fair value, which is normally the transaction price, unless there is evidence to the contrary. At the end of each reporting period they are measured on the basis of the following criteria:

- Financial assets will be valued at their fair value except for loans and receivables, investments held to maturity, equity instruments when their fair value cannot be determined in sufficiently objective manner, subsidiaries companies, multi-group and associated companies and financial derivatives that have as a subjacent asset these equity instruments and are settled through the surrender of the same.

The fair value of a financial asset is understood to be the amount at which it may be delivered between duly informed interested parties in an arm's length transaction. The best evidence of fair value is the quote on an active market that is an organized, transparent and deep market.

Where there is no market price for a specific financial asset, fair value is estimated on the basis of the value of recent transactions involving analogous instruments and, alternatively, using sufficiently verified valuation models. Similarly, the specific characteristics of the asset to be measured are taken into account and in particular, the different types of risks associated with the financial asset. Nonetheless, the own limitations of the measurement models developed and the possible inaccuracies in the assumptions required by these models may mean that the fair value thus estimated of a financial asset does not exactly agree with the price at which it could be bought or sold at the measurement date.

- The fair value of the financial derivatives listed on an active market is the daily quoted price. If for exceptional reasons, it is not possible to establish the price on a given date, methods similar to those employed to value OTC financial derivatives are used. The fair value of OTC financial derivatives is the sum of the future cash flows originating in the instrument and discounted at the valuation date using methods recognised by financial markets.

- Loans and receivables and held-to-maturity investments are carried at amortised cost, determined using the effective interest rate method. Amortised cost is understood to refer to the acquisition cost of a financial asset, adjusted by repayments of the principal and the part allocated to the income statement, using the effective interest rate method, of the difference between the initial cost and the relevant repayment value at maturity, less any decline in value owing to impairment recognised directly as a decrease in the amount of the asset or through a value adjustment account. In the event that such items are hedged through fair value hedges, changes in fair value related to the risk or risks hedged through such hedges are reflected.

  The effective interest rate is the discount rate that brings the value of a financial instrument exactly in line with the estimated cash flows over the instrument's expected life, on the basis of the relevant contractual conditions, such as early repayment options, not taking into account future losses on credit exposure.

  For fixed rate financial instruments, the effective interest rate agrees with the contractual interest rate set at the time of their acquisition, increased, where appropriate, by the commissions that, because of their nature, may be likened to an interest rate. For variable interest financial instruments, the effective interest rate agrees with the current rate of return on all items through to the first review of the reference interest rate set to take place.

Variations in the carrying value of financial assets are generally reflected with a balancing entry in the income statement and a distinction is made between those resulting from the accrual of interest and similar, that are carried under interest and similar income, and those due to other reasons, that are carried at the net amount involved, under Gains/losses on financial transactions in the income statement.

Nonetheless, changes in the carrying value of the instruments included in Available-for-sale financial assets are provisionally carried under Equity Measurement Adjusments unless they result from exchange differences. The amounts included in Valuation adjustments continue to form part of Equity until the related asset is written off the balance sheet, at which time they are written off against the income statement.

Similarly, changes in the carrying value of the assets included in Non-current assets held for sale are reflected against Adjustments for the valuation of equity.

The valuation differences in financial assets designated as hedged items and accounting hedging items are recorded having regard to the following criteria:

- In fair value hedges the differences arising both in the hedging elements and in the hedged elements, as regards the type of risk hedged, are recognized directly in the profit and loss account.

- The valuation differences corresponding to the inefficient part of cash flow hedging operations and of net investments in foreign operations are taken directly to the profit and loss account.

- In cash flow hedges, the valuation differences arising in the effective hedge portion of the hedged elements are recorded temporarily in the equity valuation adjustments statement, net of the tax effect.

- In hedges of net investments in foreign operations, the valuation differences arising in the effective portion of the hedge elements are recorded temporarily in the equity valuation adjustments statement, net of the tax effect.

  In these last two cases, differences in valuation are not recognized as results until the losses or gains of the hedged item are recorded in the profit and loss account or until the expiration date of the hedged item.

- In hedging the fair value of the interest rate risk of a portfolio of financial instruments, the gains or losses that arise when valuing the hedging instruments are recognized directly in the income statement, while the gains or losses due to variations in the fair value of the hedged amount, as regards the hedged risk, are recognized in the profit and loss account using the heading of Adjustments to financial assets for macro-hedges as a counterpart.

- In cash flow interest rate hedges in a portfolio of financial instruments, the effective portion of the variation in the value of the hedging instrument is recorded temporarily in the equity valuation adjustments caption, until the forecast transactions take place and then are recorded in the consolidated income statement. The variation in the value of the hedging derivatives for the ineffective portion of the hedge is recorded directly in the income statement.

- Monetary items held for sale are recognised at cash value.

Impairment losses

The carrying value of financial assets is generally adjusted against the profit and loss accounts when there is objective evidence that there are impairment losses. This is the case where:

- For debt instruments, understood as loans and debt securities, when, following their initial recognition, there is an event or combined effect of various events which have a negative impact on the relevant future cash flows.

- For equity instruments, when following their initial recognition, there is an event or the combined effect of various events, making it impossible to recover their carrying value.

As a general rule, the carrying value of financial instruments due to impairment is adjusted against the income statement for the period in which such impairment arises and the recovery of previously recorded impairment losses, if any, is recognised in the income statement for the period in which such impairment is eliminated or reduced. When the recovery of any amount is considered remote due to the impairment registered, this will be eliminated from the balance sheet, even though the Company may carry out the necessary actions in order to collect the amount until they have definitively extinguished their rights by prescription, condonation or other causes.

For debt instruments measured at amortised cost, the amount of impairment losses incurred is equal to the negative difference between their carrying value and the present value of estimated future cash flows. In the case of quoted debt instruments the market value may be used, in substitution of the current value of future cash flows, when this is sufficiently reliable to be considered as the representative of the value that the Company could recover.

Future cash flows estimated for a debt instrument are all those amounts, principal and interests, the Company estimates to obtain during the life of the instrument. This estimate takes into account all significant information available at the date of preparation of the financial statements concerning the possible future collection of contractual cash flows. Similarly, the estimate of future cash flows from instruments secured by real guaranteed, takes into account the flows that would be obtained on realisation, less the amount of the necessary costs for their obtainment and subsequent sale, irrespective of the probable enforcement of the guarantee.

In the calculation of the the present value of estimated future cash flow, the original effective interest rate of the instrument is used as the discount rate, if the contractual rate is a fixed rate. Alternatively, the effective interest rate at the date to which the financial statements refer, determined in accordance with the contract terms, is used when a variable rate is involved.

Debt instrument portfolios, contingency risks and contingent commitments, no matter who is the holder, instrumentation or guarantee, will be analysed to determine the credit risk to which the Company is exposed and to estimate the need for coverage due to impairment of its value. In preparing the financial statements, the Company classifies its operations in function of their credit risk analysing, separately, the insolvency risk chargable to the client and the country risk to which, if applicable, they are exposed.

Objective evidence of impairment is individually determined for all significant debt instruments and individually or collectively for groups of debt instruments which are not individually significant. If a specific instrument cannot be included in any group of assets with similar risk characteristics, it is analyzed exclusively on an individual basis in order to determine whether it is impaired and, if appropriate, to estimate the loss for impairment.

The collective assessment of a group of financial assets to estimate impairment losses is done as follows:

- Debt instruments are included in groups with similar credit risk characteristics, indicative of debtor capacity to pay all amounts, principal and interest, in accordance with contractual terms. The characteristics of credit risk which are taken into account in order to group together assets are, inter alia, the type of instrument, the debtor's sector of activity, geographical area of activity, type of guarantee, age of amounts overdue and any other factor that may be relevant when estimating future cash flows.

- The future cash flows of each group of debt instruments is estimated on the basis of experience of historic losses by the Company for instruments with similar credit risk characteristics to those of the respective group, once the necessary adjustments have been made to adapt the historic data to the current market conditions.

- Impairment losses in each group are the difference between the carrying value of all the group's debt instruments and the present value of its estimated future cash flows.

Debt instruments not valued at fair value with changes in the profit and loss account, contingent risks and the contingent commitments are classified in function of the insolvency risk imputable to the client or to the operation, in the following categories: normal risk, substandard risk, doubtful risk for other reasons than due to the arrears by the client and failed risk. For debt instruments not classified as normal risk the specific coverage for impairment needed is estimated on the basis of the Company's experience and that of the sector, specific coverage necessary for impairment, bearing in mind the aging of the unpaid amounts, the guarantees given and the economic situation of the client and, if applicable, of guarantors. This estimate is made, in general, based upon the arrears calendar prepared on the basis of the Company's experience and on the information available in the sector.

Similarly, debt instruments not measured at fair value through the income statement and contingent risks, irrespective of the customer, are analysed to determine the credit risk by reason of country risk. Country risk is understood as the risk attached to a customers´ residency in a specific country due to circumstances other than the usual business risk.

The recognition in the income statement of the accrual of interest on the basis of the contractual terms is interrupted for all debt instruments classified individually as impaired and for those for which impairment losses have been calculated collectively because the amounts involved are more than three months past due.

The amount of impairment losses incurred in debt securities and equity instruments included under Available-for-sale financial assets is equal to the positive difference between their acquisition costs, net of any repayment of the principal, and their fair value less any impairment loss previously recognised in the profit and loss accounts.

When there is objective evidence that the decline in fair value is attributable to impairment, the latent losses recognised directly under Equity Measurement adjustments are recorded immediately in the income statement. If subsequently all or part of the impairment losses are recovered, the amount involved is recognised, in the case of debt securities, in the income statement for the recovery period, and, in the case of equity instruments, under Equity Measurement Adjustments.

For debt and equity instruments classified under non-current assets held for sale, the losses recorded previously under equity are considered realized and are recognised in the income statement at the date of their classification.

Losses due to impairment of capital instruments valued at their acquisition cost correspond to the differences between the carrying value and the current value of the future cash flows expected, updated to the profitability rate on the market for other similar securities. Such impairment losses are recorded in the income statement for the period in which they arise by directly reducing the cost of the financial asset. The amount involved may not be recorded except in the event of a sale.

<u>Removal of financial assets from the balance sheet</u>

The Company only removes financial assets from its balance sheet under one of the following circumstances:

a) When the contractual rights to the cash flows generated by the financial asset have expired.

b) When the Company transfers financial assets according to the terms established below and does not retain a substantial portion of the inherent risks or benefits and does not transfer the control over the transferred assets. A financial asset is only transferred when the transferring Company:

    - transfers all of the contractual rights to the cash flows generated by the asset, or

    - conserves the contractual rights to the cash flows from the financial asset but assumes the contractual obligation to reimburse the assignee in full without delay, including the interest on the reinvestment of such cash flows in highly liquid financial instruments. In addition, the transfer agreement prohibits the company from selling or pledging the original financial asset except to guarantee the payment of cash flows to the assignees and does not obligate the Company to pay any sum whatsoever not previously received from the transferred asset.

Financial asset transfers are evaluated to determine the extent to which the risks and benefits inherent to the ownership of the financial asset are transferred to third parties. The evaluation consists of comparing the exposure of the assignor company, before and after the transfer, to the variation in the amounts and maturities of the net cash flows generated by the transferred asset.

a) The assignor is understood to have transferred the material risks and benefits inherent to the ownership of the transferred asset if the exposure to the variation in the current value of future net cash flows – i.e., future profit and loss – decreases considerably as a result of the assignment.

The risks and benefits related to the financial assets are materially transferred to third parties in the following cases, among others:

(i) Unconditional sale of a financial asset.

(ii) Sale of a financial asset with a buyback clause or a call or put option for fair value on the buyback date.

(iii) Sale of a financial asset with an out-of-the-money call or put option that is not likely to be in-the-money before the expiration of the contract.

(iv) Transfer of a financial asset along with an interest rate swap (IRS) in which the Company is the counterparty, providing that they swap payments are not contingent upon the credit risk or anticipated return of the financial asset.

b) The assignor is understood to have retained the material risks and benefits inherent to the ownership of the transferred asset if the exposure to the variation in the current value of future net cash flows does not change in any significant way as a result of the assignment.

The material risks and benefits associated with the ownership of the financial asset are retained in the following cases, among others:

(i) Sale of financial assets with a buyback clause for an equivalent or substantially similar asset with the same fair value for a fixed price plus interest. Companies are prohibited from making temporary assignments for amounts higher than the market or fair value of the assigned financial asset, since the difference could be considered unauthorised direct financing of the assignee.

(ii) A loan agreement in which the borrower is obligated to return the same securities or substantially similar ones with the same fair value.

(iii) The sale of accounts receivable for their fair value or discounted commercial paper when the assigning company guarantees that the assignee will be compensated for any credit loss.

(iv) The sale of a financial asset at fair value along with a financial swap when the assigning Company assumes the market risk of the transferred asset.

(v) Sale of a financial asset with an in-the-money call or put option that is not likely to be out-of-the-money before the expiration of the contract.

b) 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%

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.

c) Intangible assets

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

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

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

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

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

d) Financial liabilities

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

i) Financial liabilities at amortised cost

These financial liabilities are valued, both initially and in subsequent valuations, at their fair value, by imputing the changes, which occur in that value, in the profit and loss account for the year. Transaction costs directly attributable to the issue are recognized in the profit and loss account for the year in which they arise.

ii) Trading portfolio

This heading includes financial liabilities that have been acquired for short term sale and are part of a portfolio of financial instruments, identified and managed jointly, with respect to which recent actions have been carried out in order to obtain short-term gains. They may be derivative instruments not designated as accounting hedges or arising from the firm sale of financial assets acquired under repos or loans.

At 31 December 2020 and 2019 the Company does not hold financial instruments in this portfolio.

iii) Other financial liabilities at fair value through profit or loss

These are financial liabilities which are hybrid financial instruments in respect of which it is not possible to reliably determine the fair value of the embedded derivative which they contain.

At 31 December 2020 and 2019 the Company does not hold financial instruments in this portfolio.

iv) Other financial liabilities at fair value with changes in equity

This includes the liabilities associated with financial assets classified as available for sale that have been transferred but do not fulfill the requirements to be written off the balance sheet. The financial liabilities associated with such assets are measured, like the assets themselves, at fair value with changes in equity.

At 31 December 2020 and 2019 the Company does not hold financial instruments in this portfolio.

Registration and valuation of financial liabilities

Financial liabilities are registered at amortised cost except in the following cases:

- Financial liabilities included under the heading “Trading Portfolio”, as “Other financial liabilities” at fair value with changes in the profit and loss account and “Other financial liabilities” with changes in net equity that are valued at fair value. Financial liabilities hedged through fair value hedges are adjusted by recording those variations in fair value in relation to the risk hedged in the hedging transaction.

- Financial derivatives that have as an underlying capital instrument the fair value which cannot be determined in a sufficiently objective manner and that are settled by delivery are valued at their cost.

Variations in the carrying value of financial liabilities are generally recorded with the balancing entry in the consolidated income statement, differentiating between those arising on the accrual of interest and similar charges, which are recorded under Interest and similar charges, and those which relate to other causes, which are carried at net value under Gains/ losses on financial transactions in the profit and loss account.

Nonetheless, variations in the carrying value of the instruments included under financial liabilities at fair value with changes in equity are temporarily recorded under Equity Measurement Adjustments. The amounts included under Measurement Adjustments continue to form part of equity until the relevant liability is written off the balance sheet at which time they are written off against the profit and loss account.

Removal of financial liabilities from the balance sheet

A financial liability, or part of it, should be removed from the balance sheet when the specific obligation in the contract has extinguished, because it has been paid, cancelled or has expired.

The difference between the carrying amount of an extinguished financial liability, or a part of this, and the consideration paid, including any asset transferred other than cash, less any liability assumed, will be recognised immediately in the profit and loss account.

A financial liability settled by the Company to a third party, in order to make this third party assume the amount of the transferred debt, shall not be extinguished, despite the fact that this circumstance has been communicated to the creditor, unless the Company becomes legally released from its obligation, by contractual agreement with the creditor or by judicial or arbitral decision.

When the Company is released by the creditor from its obligation to settle a debt, because it has been assumed by a third party, but guarantees its payment in the new event of default by the new creditor, the Company:

- Remove the amount of the original debt from its balance sheet and recognise a new financial liability for the fair value of the obligation assumed by the guarantee.

- Record immediately, in the profit and loss account, the difference between the carrying amount in books of the original financial liability less the fair value of the new liability recognised; and any consideration delivered.

A swap of a financial liability between the Company and its creditors, or a modification in its conditions, will be treated in the accounts applying the following criteria:

- When the swap or modification in the conditions of a swap agreement, meaning a substantial change in the conditions of the debt instrument, the entity should remove it from the balance sheet and recognise a new financial liability. The expenses or commissions incurred by the entity in the transaction will be registered immediately in the profit and loss account.

- When the swap or modification does not mean a substantial change in the conditions of the debt instrument, the entity will not remove it from the balance sheet and will recognise the amount of the expenses and commissions as an adjustment to the value in the accounts of the financial liability, determining these on the basis of the new conditions.

For these purposes, the contract conditions will be considered as substantially different when the current value of the cash flows of the new financial liability, including the net commissions collected or paid, differs in at least 10% from the current value of the cash flows remaining from the original liability, discounting both at the effective interest rate of the latter.

e) Current and deferred taxes

The Company forms part of the Group whose main shareholder is the parent company. Likewise, the Company consolidates fiscally with other companies of the Group, being the entity responsible for the application of the tax regime its main shareholder.

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 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.

f) Leases

Finance 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.

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

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

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

Financial income and expenses resulting from these contracts are credited and charged, respectively, to the profit and loss account so that the performance remains constant throughout the life of the contracts.

As at 31 December 2020 and 2019 the Company does not hold this kind of leases.

Operating lease

Leasing contracts that are not considered financial leases are classified as operating leases.

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

On the other hand, when the Company acts as lessee, the expenses of the lease including incentives granted, as the case may be, by the lessor, are recorded on a straight-line basis in the profit and loss account.

g) Recognition of income and expenses

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

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

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

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

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

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

g.1) Commissions paid and income

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:

- <u>Financial commissions</u>

  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.

- <u>Non-financial commissions</u>

  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.

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

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

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

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

h) Personnel Expenses

Short-term retribution

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

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

Remuneration based on equity instruments

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

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

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

Retirement benefit commitments

The collective agreement applicable to the employees of securities firms and the Madrid stock market establishes certain social welfare obligations. The 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 2020 and 2019 the Company had no significant obligations of this kind towards its employees.

Termination benefits

These are recognised as a liabilities and expenses only when the Company has made a firm commitment to terminate the contract of an employee or group of employees before the retirement date or to pay severance payments as a result of an offer made to encourage the voluntary termination of the employment contract by employees.

i) 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.

j) 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.

k) 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 2020 and 2019 is as follows:

		Euros
	2020	**2019**
US Dollars	79 232.20	9 859.98
Pounds Sterling	42 901.59	41 267.54
Other foreign currencies	21 510.92	23 019.40
Total	143 644.71	74 146.92

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 2020 and 2019 is as follows:

		Euros
	2020	**2019**
Loans and receivables (Notes 5 and 7)	332 188.80	237 554.15
Other financial intermediaries in foreign currency (Note 7)	37 716.36	13 356.10
Debts with customers – Creditors foreign currency (Note 11)	(226 260.45)	(176 763.33)
Total	143 644.71	74 146.92

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.

l) Discontinued activities

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

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

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

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

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

m) Provisions and contingent liabilities

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

- A legal or contractual provision.

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

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

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

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

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

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

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.

4. Risks management

The Company, due to the activity it carries out, and its consolidable group are bound by current legislation - Royal Legislative Decree 4/2015, of October 23, approving the consolidated text of the Securities Market Law; Law 10/2014, of June 26, on the management, supervision and solvency of credit institutions; Royal Decree 217/2008 of 15 February; And Circular 2/2014, of June 23, of CNMV to have adequate policies and procedures for risk management.

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 Circular 2/2014 and Capital Requirements Regulation (EU) 575/2013, concerning the level of exposure and the quality of each kind of risk, the risks identified as significant for the company are the credit, concentration, market, operational and liquidity risks.

In order to value exposure to each of these risks and to quantify the requirements, the guidance contained in the *Guide on Capital Self-Assessment for Investment Services Companies* (hereinafter, GAC), published by the CNMV has been applied. The PGR lays down the following calculation methods:

- Credit risk: Standard method.
- Concentration risk: Simplified option of GCA.
- Market risk: Option 1 of GCA.
- Operational risk: Basic Indicator Method.
- Liquidity risk: Simplified option of GCA.
- Other risks: Simplified option of GCA.

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 2020 is a follows:

				Euros
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	No set Maturity
As at December 31, 2020				
Guarantees received (Note 11)	18 091 673,54	-	-	-
Transitorial balances on securities transactions (Note 11)	2 719 078,51	-	-	-
Temporary asset transfers (Note 11)	2 370 761,03	-	-	-
Rest of liabilities (Note 12)	801 180,01	-	-	-
Deposits and guarantees received (Note 11)	708 162,63	-	-	-
Pending remuneration payment (Note 12)	560 631,20	-	-	-
Intercompany creditors (Notes 11 and 17)	79 848,84	-	-	-
Other transactions pending settlement (Note 11)	15 912,82	-	-	-
Loans with Credit Institutions (Note 11)	3 465,98	-	-	-

The detail of the financial liabilities as at 31 December 2019 is a follows:

				Euros
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	No set Maturity
As at December 31, 2019				
Deposits and guarantees received (Note 11)	9 908,40	-	-	-
Transitorial balances on securities transactions (Note 11)	1 323 877,65	-	-	-
Temporary asset transfers (Note 11)	4 960 089,16	-	-	-
Rest of liabilities (Note 12)	600 586,93	-	-	-
Deposits and guarantees received (Note 11)	391 768,87	-	-	-
Pending remuneration payment (Note 12)	548 866,36	-	-	-
Intercompany creditors (Notes 11 and 17)	96 701,40	-	-	-
Other transactions pending settlement (Note 11)	223,62	-	-	-
Loans with Credit Institutions (Note 11)	5 482,85	-	-	-
Equities transactions pending settlement (Note 11)	1.427,99	-	-	-

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 fiscal year 2020, COVID-19 has spread throughout the world. As of the date of preparation of these annual accounts, this event continues to significantly affect economic activity worldwide and, as a result, could affect the operations and financial results of the Company. The extent to which the Coronavirus could impact the results will depend on the evolution of the actions that are being taken to contain the pandemic. This evolution cannot be predicted reliably.

5. Treasury

The “Treasury” statement includes mainly as at 31 December 2020 and 2019 an amount of 2,780,769.60 euros and 2,540,552.74 euros, respectively, corresponding to balances placed within Bank of Spain which are subject to no restrictions on demand by an amount of 2,780,139.16 euros and 2,537,266.30 euros, respectively, and held the company in cash an amount of 630.44 euros and 3,286.44 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 2020 and 2019 includes:

		Euros
	2020	2019
Banks, euro current accounts (Note 7)	22 946 449.69	3 768 436.68
Treasury	2 780 769.60	2 540 552.74
Banks, foreign current accounts (Notes 3.k and 7)	332 188.80	237 554.15
	26 059 408.09	6 546 543.57

6. Trading portfolio and Available-for-sale financial assets

The amounts included under the heading “Trading portfolio” at 31 December 2020 and 2019 are as follows:

		Euros
	2020	2019
Debt securities	4 511 321.09	7 287 954.46
Financial assets - Fixed income	4 515 379.73	7 292 007.35
Variations Financial assets – Fixed income	(4 058.64)	(4 052.89)
Equity instruments		
Investment Funds managed by the Group	1 947 676.18	1 943 169.63
	6 458 997.27	9 231 124.09

The breakdown of the heading “Debt securities” as at 31 December 2020 is as follows:

					Euros
	Face value	Maturity date	Cost value	Market value	Gains / (Losses)
Debt Securities					
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	2 115 379.73	2 111 531.79	(3 847.94)
			4 515 379.73	4 511 321.09	(4 058.64)

The breakdown of the heading "Debt securities" as at 31 December 2019 is as follows:

	Face value	Maturity date	Cost value	Market value	Gains / (Losses)
					Euros
Debt Securities					
Treasury bills	4 862 000.00	30/04/2020	5 064 311.43	5 062 841.40	(1 470.03)
Government bonds	2 000 000.00	30/04/2021	2 227 695.92	2 225 113.06	(2 582.86)
			7 292 007.35	7 287 954.46	(4 052.89)

The amounts and movements in Debt securities during the years ended 31 December 2020 and 2019 are as follows:

	31.12.19	Increase	Decrease	Gains / (Losses)	Gains / Losses) (Note 21)	31.12.20
						Euros
Debt securities						
Government bonds	2 225 113.06	-	(109 733.33)	-	(3 847.94)	2 111 531.79
Temporary acquisitions of assets	5 062 841.40	2 400 000.00	(5 062 841.40)	-	(210.70)	2 399 789.30
	7 287 954.46	2 400 000.00	(5 172 574.73)	-	(4 058.64)	4 511 321.09
	2 225 113.06	-	(109 733.33)	-	(3 847.94)	2 111 531.79

	31.12.18	Increase	Decrease	Gains / (Losses)	Gains / Losses) (Note 21)	31.12.19
						Euros
Debt securities						
Government bonds	2 338 909.81	-	(110 000.00)	-	(3 796.75)	2 225 113.06
Temporary acquisitions of assets	-	5 064.311.43	-	-	(1 470.03)	5 062 841.40
European Investment Bank Bonds	-	6 262 882.55	(6 262 882.55)	(78 817.05)	78 817.05	-
	2 338 909.81	11 327 193.98	(6 372 882.55)	(78 817.05)	73 550.27	7 287 954.46

Gains or losses deriving from increases or decreases in the value of negotiable fixed-income securities at 31 December 2020 and 2019 are recorded under the heading "Gains/losses on financial assets and liabilities- Held for trading" in the income statement (Note 21).

The breakdown of the heading "Equity instruments - Investment Funds managed by the Group" as at 31 December 2020 and 2019 are as follows:

	Euros	
	2020	**2019**
IMDI FUNDS, FI / Rojo	689 552.89	660 644.98
Intermoney Variable Euro, FI	383 277.28	416 765.05
Intermoney Gestión Flexible, FI	310 256.23	311 965.00
IMDI FUNDS, FI / Verde	299 116.38	292 539.36
IMDI FUNDS, FI / Azul	177 857.31	176 558.94
IMDI FUNDS, FI / Ocre	85 664.31	82 749.78
Intermoney Attitude, FI	1 951.78	1 946.52
	1 947 676.18	1 943 169.63

The amounts and movements in Investment Funds managed by the Group during the years ended 31 December 2020 and 2019 are as follows:

						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
	1 943 169.63	- -	- -	-	4 506.55	1 947 676.18

						Euros
	31.12.18	**Increase**	**Decrease**	**Gains / (Losses)**	**Gains / (Losses) (Note 21)**	**31.12.19**
Investment Funds:						
IMDI FUNDS, FI / Rojo	550 711.01	-	-	-	109 933.97	660 644.98
Intermoney Variable Euro, FI	943 194.17	-	(463 683.65)	(160 088.53)	97 343.06	416 765.05
Intermoney Gestión Flexible, FI	294 248.26	-	-	-	17 716.74	311 965.00
IMDI FUNDS, FI / Verde	267 049.89	-	-	-	25 489.47	292 539.36
IMDI FUNDS, FI / Azul	170 027.92	-	-	-	6 531.02	176 558.94
IMDI FUNDS, FI / Ocre	72 211.07	-	-	-	10 538.71	82 749.78
Intermoney Attitude, FI	1 908.08	-	-	-	38.44	1 946.52
	2 299 350.40	-	(463 683.65)	(160 088.53)	267 591.41	1 943 169.63

Gains or losses deriving from increases or decreases in the value of negotiable fixed-income securities at 31 December 2020 and 2019 are recorded under the heading "Gains/losses on financial assets and liabilities- Held for trading" in the income statement (Note 21).

The detail of the valuation of Investment Funds managed by the Group as at 31 December 2020 and 2019 is as follows:

				Euros
As at 31 December 2020	**Number of securities**	**Cost value**	**Market Value**	**Gains / (Losses)**
Investment Funds:				
IMDI FUNDS, FI / Rojo	57 674.40	575 000.00	689 552.89	114 552.89
Intermoney Variable Euro, F.I.	2 807.08	343 907.38	383 277.28	39 369.90
Intermoney Gestión Flexible, F.I	29 507.97	317 000.00	310 256.23	(6 743.77)
IMDI FUNDS, FI / Verde	27 576.61	275 000.00	299 116.38	24 116.38
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
Intermoney Attitude, F.I.	192.65	1 926.50	1 951.78	25.28
		1 762 833.88	1 947 676.18	184 842.30

				Euros
As at 31 December 2019	**Number of securities**	**Cost value**	**Market Value**	**Gains / (Losses)**
Investment Funds:				
IMDI FUNDS, FI / Rojo	57 674.40	575 000.00	660 644.98	85 644.98
Intermoney Variable Euro, F.I.	2 807.08	343 907.38	416 765.05	72 857.67
Intermoney Gestión Flexible, F.I.	29 507.97	317 000.00	311 965.00	(5 035.00)
IMDI FUNDS, FI / Verde	27 576.61	275 000.00	292 539.36	17 539.36
IMDI FUNDS, FI / Azul	17 574.50	175 000.00	176 558.94	1 558.94
IMDI FUNDS, FI / Ocre	7 500.00	75 000.00	82 749.78	7 749.78
Intermoney Attitude, F.I.	192.65	1 926.50	1 946.52	20.02
		1 762 833.88	1 943 169.63	180 335.75

During 2020 and 2019 years, the Company carried out self-buying and selling operations on fixed-terms market, being the movement of those operations as follows:

				Euros
	31.12.19	**Increase**	**Decrease**	**31.12.20**
Self operations on Fixed income market	-	3 485 554 519.30	3 485 554 519.30	-
	-	3 485 554 519.30	3 485 554 519.30	-

				Euros
	31.12.18	**Increase**	**Decrease**	**31.12.19**
Self operations on Fixed income market	-	8 395 373 305.80	8 395 373 305.80	-
	-	8 395 373 305.80	8 395 373 305.80	-

Those operations of buying and selling has produced benefits to the Company on 2020 and 2019 years, for a net amount of 3,157,582.00 euros and 2,501,184.11 euros, respectively. Those net benefits are registered on the heading “Gains and losses on financial assets and liabilities (net) - Held for trading” of the Profit Loss account (Note 21).

The breakdown of the heading, percentage of participation and by number of registered shares, “Available-for-sale financial assets” as at 31 December 2020 and 2019 is as follows:

At 31 December 2020	**Number of securities**	**Percentage Securities**	**Euros**
Company owned			
Sociedad Gestora del Fondo General de Garantía de Inversiones, S.A.	5	0.43%	1 000.00
			1 000.00

At 31 December 2019	**Number of securities**	**Percentage Securities**	**Euros**
Company owned			
Sociedad Gestora del Fondo General de Garantía de Inversiones, S.A.	8	0.70%	1 600.00
			1 600.00

7. Loans and advances to financial intermediaries

The amounts included under the heading “Loans and advances to financial intermediaries” as at December 31, 2020 and 2019, is as follows:

	Euros	
	2020	**2019**
Banks, current accounts in euros (Note 5)	22 946 449.69	3 768 436.68
Guarantees and deposits constituted	2 264 929.64	2 455 930.26
Other own-account operations pending settlement	719 438.48	15 790.64
Other financial intermediaries in euros	372 027.35	282 799.17
Banks, current accounts in foreign currency (Notes 3.k and 5)	332 188.80	237 554.15
Debtors of Group companies (Note 17)	9 388.40	28 153.28
Other financial intermediaries in foreign currency (Note 3.k)	37 716.36	13 356.10
	26 682 138.72	6 802 020.28

The detail by entity of the heading "Banks, current accounts in euros" as of December 31, 2020 and 2019 is as follows:

	Euros	
	2020	2019
Credit Suisse	18 249 530.56	294 727.61
Bankinter	2 773 038.21	1 262 160.75
BCP Millenium	492 541.99	49 443.43
Banco Santander	480 986.03	698 367.21
Kas Bank	350 525.50	1 137 221.69
Cecabank	234 642.90	66 541.43
Banco de Crédito Social Cooperativo	100 761.68	810.68
Euroclear Bank	89 562.55	32 684.29
BBVA	53 484.76	144 461.46
Banco Sabadell	50 797.52	8 796.74
Banco Inversis	48 102.10	37 807.39
Bankia	22 475.89	35 414.00
	22 946 449.69	3 768 436.68

During the years 2020 and 2019, these current accounts have been remunerated at an average interest rate between -0.70% and 0.00%.

The detail of "Guarantees and deposits constituted" as of December 31, 2020 and 2019 is as follows:

	Euros	
	2020	2019
BME guarantees	1 667 325.71	2 155.966.10
Credit Suisse guarantees	597 603.93	339 964.16
	2 264 929.64	2 455 930.26

As of December 31, 2020 and 2019, the heading “Other transactions pending settlement for own account” 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 "Other financial intermediaries in euros" as of December 31, 2020 and 2019, is as follows:

	Euros	
	2020	2019
Customers by operations	347 025.31	279 530.96
Doubtable pay costumers	51 591.27	25 389.19
Impairment of the value of credits for commercial operations	(26 589.23)	(22 120.98)
	372 027.35	282 799.17

The movement of "Impairment of the value of credits for commercial operations" as of December 31, 2020 and 2019 is as follows:

					Euros
	31.12.19	**Increases**	**Decreases**	**(+/-) Others**	**31.12.20**
Impairment of the value of credits for commercial operations	(22 120.98)	(4 572.25)	104.00	1 200.00	(25 389.23)
	(22 120.98)	(4 572.25)	104.00	1 200.00	(25 389.23)

					Euros
	31.12.18	**Increases**	**Decreases**	**(+/-) Others**	**31.12.19**
Impairment of the value of credits for commercial operations	(16 850.16)	(26 752.90)	19 884.94	1 597.14	(22 120.98)
	(16 850.16)	(26 752.90)	19 884.94	1 597.14	(22 120.98)

The heading "Banks, current accounts in foreign currency" includes as of December 31, 2020 and 2019, balances in freely available banking entities for an amount of 332,188.80 euros and for an amount of 237,554.15 euros, respectively (Notes 3.k and 5).

During 2020 these current accounts have been remunerated at an average interest rate of 0.00% (2019: between 0.00% and 0.50%).

8. Loans and advances to customers, Tax assets – Current and Other assets

The breakdown of the heading "Loans and advances to customers" as at December 31, 2020 and 2019, is as follows:

		Euros
	2020	**2019**
Receivables from Group companies - Other (Note 17)	5 068 166.67	5 004 353.54
Receivables from Group companies – Tax Effect (Note 17)	1 617 412.62	1 598 985.42
Sundry debtors	7 510.17	36 689.21
Cash advances	605.50	2 500.00
	6 693 694.96	6 642 528.17

On 28 April 2015, the Company's Extraordinary General Shareholders' Meeting resolved unanimously to grant its parent company (CIMD, S.A.) a loan of Euros 3,750,000 to enable it to acquire the company Millennium BCP Gestâo 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 2020 and 2019, the reference rate for this operation was 1.39% in both exercises.

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%).

Similarly on 20 July 2015, the Company's Extraordinary General Shareholders' Meeting resolved unanimously to grant its parent company (CIMD, S.A.) a loan of Euros 2,900,000 to enable it to make the second payment corresponding to the price for the acquisition of the company Millennium BCP Gestâo 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 2020 and 2019, the reference rate for this operation was 1.39% in both exercises.

  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%).

At 31 December 2020 and 2019, the principal outstanding amount of the loan granted to the parent company amounted to 5,068,166.67 euros and 5,004,353.54 euros, respectively (Note 17).

During the years 2020 and 2019, these loans earned interests of 69,507.31 euros and 100,844.94 euros, respectively, for the Company. These interests are recognised under “Interest on Loans – Group Companies” (Notes 17 and 18), which are not collected as of 31 December 2020 and 2019 amounting to 11,586.02 euros y 16,853.54 euros respectively.

At December 31, 2020 and 2019, the balance recorded in the heading "Tax assets - Current" corresponds to the amount pending collection as income tax from the Portuguese branch.

The breakdown of the heading “Other assets” as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	2019
Prepaid expenses	114 166.50	109 477.43
Sundry debtors	38 059.88	12 161.24
Public Administration debtor	825.00	825.00
Credit to the staff	-	36.22
	153 051.38	122 499.89

9. Tangible assets

The breakdown of the heading “Tangible assets” as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	2019
Own Use:		
Technical Installations	109 320.64	149 045.56
Furniture and fittings	16 610.86	20 442.74
Data processing equipments	10 122.21	10 404.60
Tangible assets in progress	-	1 408.03
	136 053.71	181 300.93

The variations during the 2020 and 2019 years of the sundry amounts under the heading “Tangible assets” and its depreciation are as follows:

					Euros
	31.12.19	Altas	Bajas	(+/-) Otros	31.12.20
Acquisition cost					
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
	1 567 457.29	6 426.68	-	-	1 573 883.97
Accumulated depreciation					
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)
	(1 386 156.36)	(51 673.90)	-	-	(1 437 830.26)
Net tangible assets	181 300.93	(45 247.22)	-	-	136 053.71

As at 31 December 2020 and 2019 there are fully depreciated tangible assets with an original cost by amounting to 1,182,996.38 euros and amounting to 1,164,227.21 euros, respectively.

					Euros
	31.12.18	**Increase**	**Decrease**	**Reclassifications**	**31.12.19**
Acquisition cost					
Technical installations	324 743.13	-	-	-	324 743.13
Furniture and fittings	118 322.29	-	-	-	118 322.29
Data processing equipments	776 550.10	2 767.95	-	-	779 318.05
Tangible assets in progress	1 408.03	-	-	-	1 408.03
Telephone equipments	343 665.79	-	-	-	343 665.79
	1 564 689.34	2 767.95	-	-	1 567 457.29
Accumulated depreciation					
Technical installations	(135 972.65)	(39 724.92)	-	-	(175 697.57)
Furniture and fittings	(94 047.67)	(3 831.88)	-	-	(97 879.55)
Data processing equipments	(752 529.83)	(16 383.62)	-	-	(768 913.45)
Telephone equipments	(343 489.04)	(176.75)	-	-	(343 665.79)
	(1 326 039.19)	(60 117.17)	-	-	(1 386 156.36)
Net tangible assets	238 650.15	(57 349.22)	-	-	181 300.93

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 17 and 23).

On December 31, 2020 and 2019 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:

		Euros
	2020	**2019**
In a year	172 888.80	196 343.09
Between 1 and 3 years	432 221.98	687 200.83
	605 110.78	**883 543.92**

10. Intangible assets

The breakdown of the heading “Intangible assets” as at 31 December 2020 and 2019 is as follows:

		Euros
	2020	**2019**
System applications	43 414.08	35 636.33
	43 414.08	35 636.33

The movement under this heading during the years 2020 and 2019 are as follows:

	31.12.19	Increase	Decrease	31.12.20
				Euros
Acquisition cost				
System applications	996 604.12	37 682.41	(76.97)	1 034 209.56
	996 604.12	37 682.41	(76.97)	1 034 209.56
Accumulated depreciation				
System applications	(960 967.79)	(29 827.69)	-	(990 795.48)
Net intangible assets	35 636.33	7 854.72	(76.97)	43 414.08

	31.12.18	Increase	Decrease	31.12.19
				Euros
Acquisition cost				
System applications	996 604.12	-	-	996 604.12
	996 604.12	-	-	996 604.12
Accumulated depreciation				
System applications	(915 097.85)	(45 869.94)	-	(960 967.79)
Net intangible assets	81 506.27	(45 869.94)	-	35 636.33

As at 31 December 2020 and 2019 there are fully depreciated intangible assets with an original cost amounting to 913,692.57 and 831,350.75 euros, respectively.

11. Financial intermediaries debts and Customers debts

The breakdown of the heading “Financial intermediaries debts” as at December 31, 2020 and 2019 is as follows:

	2020	2019
		Euros
Guarantees received	18 091 673.54	9 908.40
Temporary assets transfers with financial intermediaries	2 370 761.03	4 960 089.16
Deposits received	254 645.85	108 227.08
Guarantees received from Group companies (Note 17)	218 588.38	183 134.61
Creditors Group companies (Note 17)	35 242.23	1 250.00
Other operations pending settlement	15 912.82	223.62
Loans with credit institutions	3 465.98	5 482.85
Equity operations pending settlement	-	1 427.99
	20 990 289.83	5 269 743.71

As of December 31, 2020 and 2019, under the heading “Guarantees received” 18,091,673.54 euros and 9,908.40 euros, respectively, are recorded as guarantees on the derivatives settlement operation with IM Gestão de Ativos, SGOIC , S.A.

The detail of the “Temporary assets transfers with financial intermediaries” as of December 31, 2020 and 2019 is as follows:

	Euros	
	2020	2019
Temporary assets transfers with third parties	2 370 761.03	4 960 089.16
	2 370 761.03	4 960 089.16

The detail of the “Temporary assets transfers with third parties” as of December 31, 2020 and 2019 is as follows:

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

					Euros
	Nominal	Price-Assignment	Accrued interest	Interest rate	Expiration date
Government bonds	4 762 000.00	4 960 089.16	-	0%	30/04/2020
	4 762 000.00	4 960 089.16	-		

At December 31, 2020 and 2019, the detail of "Deposits received" is composed by deposits held with customers for an amount of 254.645,85 euros and 108,227.08 euros, respectively.

The detail of "Guarantees received from Group companies" as of December 31, 2020 and 2019 is as follows:

	Euros	
	2020	2019
Guarantees received - CIMD, S.V., S.A. (Note 17)	218 588.38	183 134.61
	218 588.38	183 134.61

The detail of "Creditors Group companies" as of December 31, 2020 and 2019 is as follows:

	Euros	
	2020	2019
Debts with Intermoney Titulización, S.G.F.T., S.A. (Note 17)	-	1 250.00
Debts with CIMD, S.V., S.A. (Note 17)	35 242.23	-
	35 242.23	1 250.00

As of December 31, 2020, the company Intermoney Valores, S.V., S.A. had contracted a credit policy with Bankinter, S.A., with a limit of 5,000,000 euros. As of December 31, 2020, there was no amount drawn down with respect to said policy, which has accrued interest during the 2020 financial year of 3,465.98 euros, all of which is pending payment. As of December 31, 2019, the company Intermoney Valores, S.V., S.A. had contracted two credit policies with Banco Santander, S.A. and Bankia, S.A., both with a limit of 5,000,000 euros. As of December 31, 2019, there was no amount drawn down with respect to these policies, which accrued interest during 2019 of 22,520.81 euros, of which an amount of 5,482.85 euros was pending payment.

On June 21, 2018, Intermoney Titulización, S.G.F.T. granted a credit line to the Company for a maximum amount of 3,000,000 euros. The conditions of this line are the following:

- The duration of the contract is 3 months tacitly renewable up to a maximum of 1 year.

- The stipulated interest rate: will be a 3 month Euribor + 0.50% with a minimum of 0.50%. The interest will be settled on a monthly basis.

As of December 31, 2020 and 2019, there was no amount drawn from this credit line. Interest accrued in 2019 on this line amounted to 7,583.31 euros, of which 1,250.00 euros were pending payment, with no interest accrued in fiscal year 2020. Said interest has been recorded under the heading "Interest and similar charges" in the profit and loss account (Notes 17 and 18).

At 31 December 2020 and 2019, the detail of the "Loans with credit institutions" is composed by interest pending payment with Banco Santander, S.A. and loans held with Kas Bank for the settlement of operations carried out in international markets for an amount of 3,465.98 euros and 5,482.85 euros, respectively.
The operations pending settlement as of December 31, 2020 mentioned above have been settled during the month of January 2021.The operations pending to be settled at December 31, 2019 mentioned above were liquidated during the month of January 2020.

The breakdown of the heading “Customers debts” as at 31 December 2020 and 2019 is as follows:

		Euros
	2020	2019
Balances for securities transactions on transit	2 719 078.51	1 323 877.65
Guarantees received (Note 17)	234 928.40	100 407.18
Group companies creditors (Note 17)	44 606.61	95 451.40
	2 998 613.52	1 519 736.23

The breakdown of the heading “Balances for securities transactions on transit” as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	**2019**
Deposits of resident customers	2 408 669.74	1 126 849.10
Creditors foreign currency (Note 3.k)	226 260.45	176 763.33
Creditors	51 143.89	14 804.25
Non-resident customer deposits	33 004.43	5 460.97
	2 719 078.51	1 323 877.65

12. Other liabilities

The breakdown of the heading “Other liabilities” as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	**2019**
Accrued wages and salaries	560 631.20	548 866.36
Creditors, invoices pending to be received	442 056.31	363 104.58
Tax Authorities, IRPF withholdings	196 929.31	65 811.25
Social Security, creditors	64 680.24	65 284.83
Sundry Creditors	66 152.67	71 561.47
Tax Authorities, VAT pass	21 348.84	21 744.42
Other tax	10 012.64	13 080.38
	1 361 811.21	1 149 453.29

The " Accrued wages and salaries" caption at December 31, 2020 and 2019 includes unpaid employee bonuses, calculated as a percentage of the consolidated income for the year, and provisions for additional payments.

The heading "Creditors, invoices pending to be received" mainly includes the pending invoices corresponding to the Company's own activity as of December 31, 2020 and 2019.

13. Equity

The amounts and movements in equity during the years ended 31 December 2020 and 2019 are as follows:

					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 (Note 14)	-	-	-	-	-
	17 642 034.44	-	-	(19 924.04)	17 622 110.40

					Euros
	31.12.18	Transfer between equity amounts	Other movements	Profit of the year	31.12.19
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	2 807 394.29	(2 249 744.88)	-	-	557 649.41
	5 807 394.29	(2 249 744.88)	-	-	3 557 649.41
Profit of the year	(2 249 745.11)	2 249 745.11	-	(915 614.97)	(915 614.97)
Remaining	0.17	-	(0.17)	-	-
Negative results from previous exercises	-	-	-	-	-
Interim dividend (Note 14)	-	-	-	-	-
	18 557 649.35	0.23	(0.17)	(915 614.97)	17 642 034.44

As at 31 December 2020 and 2019, 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%

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.

14. Proposed distribution of results

The distribution of results for year the ended 31 December 2020, which is subject to the approval of the General Shareholders' Meeting and the distribution of results for the year ended 31 December 2019, which was approved by the General Shareholders' Meeting, are as follows:

	Euros	
	2020	**2019**
Profit / (Loss) of the year	(19 924.04)	(915 614.97)
Distribution		
Losses from previous years	(19 924.04)	(357 965.56)
Voluntary reserves	-	(557 649.41)
	(19 924.04)	(915 614.97)

15. Tax situation

The Parent Company presents a consolidated tax return 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 2020 and 2019 and the books and the taxable income is as follows:

	Euros	
	2020	**2019**
Profits before taxes	(25 987.80)	(1 216 578.10)
Permanent differences	44 005.74	88 909.90
Donations	29 741,00	53 964,00
Retirement insurance	17 438,40	9 051,00
Others	-	29 068,56
Amortizations	(3 173,66)	(3 173,66)
Taxable income	18 017,94	(1 127 668,20)
Tax quote 25%	(4 504,48)	281 917,05
Deductions	10 568,24	19 046,08
Income tax	6 063,76	300 963,13

The balance receivable (payable) with the parent in respect of corporate income tax (Note 17) is as follows:

	Euros	
	2020	2019
Income tax	6 063.76	300 963.13
Payments on accounts and withholdings during the year	-	(26 338.02)
Accounts receivable (payable)	6 063.76	274 625.11

A breakdown of the headings included under "Current Tax assets" at 31 December 2020 and 2019 is provided below:

	Euros	
	2020	2019
Tax assets:		
Current tax assets – Income Tax	23 400,24	23 400,24
	23 400,24	23 400,24

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.

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

The breakdown of the heading "Bank and granted guarantees" as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	2019
Collateral - Euroclear	2 000 000.00	2 000 000.00
Bonds and guarantees constituted before BME	1 667 325.71	2 115 966.10
	3 667 325.71	4 115 966.10

The nominal value of the futures arranged by the Company at 31 December 2020 and 2019, for an amount of 1,176,504.64 euros and 1,180,643.18 euros, respectively, is recognised under "Financial Derivatives" under the Company's Contingency and Obligation Accounts.

The variations during the 2020 and 2019 years of financial derivatives are as follows:

				Euros
	31.12.19	**Increase**	**Decrease**	**31.12.20**
Futures Eurex	1 180 643.18	240 043.67	(244 182.21)	1 176 504.64
	1 180 643.18	240 043.67	(244 182.21)	1 176 504.64

				Euros
	31.12.18	**Increase**	**Decrease**	**31.12.19**
Futures Eurex	1 468 875.56	270 910.89	(559 143.27)	1 180 643.18
	1 468 875.56	270 910.89	(559 143.27)	1 180 643.18

The result deriving from operations with futures contracted during 2020 and 2019 amounts are a positive amount to 43.049,78 euros and a negative amount to 288,283.39 euros, respectively. These expenses are recorded under "Results from financial operations - Trading portfolio" in the income statement (Note 21).

The breakdown of the heading "Security deposits" as at December 31, 2020 and 2019 is as follows:

		Euros
	2020	**2019**
Deposits mortgage debentures	2 723 171 257.50	4 128 851 627.68
Securities deposits	108 587 625.18	115 538 750.72
Third-party titles in the Annotation Center in Account	2 370 761.03	4 960 089.16
Fixed income (own account)	29 238.97	1 008.25
	2 834 158 882.68	4 249 351 475.81

The breakdown of the heading "Managed portfolios" as at December 31, 2020 and 2019 is as follows:

		Euros
	2020	**2019**
National and foreign funds	16 462 495.63	17 538 366.42
Fixed income securities	2 728 028.85	2 939 146.09
Shares	2 037 132.63	2 240 179.89
Cash at financial intermediaries	109 585.42	83 514.02
	21 695 398.18	22 801 206.42

The breakdown of the number of customers and total assets managed by the Company as at 31 December 2020 and 2019, classified by band in the portfolios managed, is as follows:

	2020		2019	
Tranche	**Customers**	**Euros**	**Customers**	**Euros**
Up to 60 thousand euros	32	252 483.83	24	344 275.86
61 thousand euros to 300 thousand euros	22	3 733 444.49	23	3 915 668.10
301 thousand euros to 600 thousand euros	15	5 914 909.04	15	6 214 050.70
601 thousand euros to 1,500 thousand euros	4	3 482 846.28	5	4 840 191.54
More than 1,501 thousand euros	3	8 311 714.54	3	7 487 020.22
	76	21 695 398.18	70	22 801 206.42

The breakdown of the heading “Off-balance sheet items " as at December 31, 2020 and 2019 is as follows:

	Euros	
	2020	**2019**
Own financial and third party financial instruments held by other entities	7 086 580.72	3 208 411.60
Available not contingent on demand - credit institutions	5 000 000.00	10 000 000.00
Customer security sales orders pending settlement	35 498.93	70 444.61
	12 122 079.65	13 278 856.21

17. Balances and transactions with Group companies

The breakdown of Intercompany balances as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	**2019**
Loans and advances to financial intermediaries (Note 7)	9 388.40	28 153.28
Intermoney Gestión, S.G.I.I.C., S.A.	6 250.00	7 515.00
CIMD (Dubai), Ltd.	3 138.40	3 138.40
CIMD, S.V., S.A.	-	16 787.24
Intermoney Titulización, S.G.F.T., S.A.	-	712.64
Loans and advance to customers (Note 8)	6 685 579.29	6 603 338.96
CIMD, S.A. - Loans granted to related parties	4 999 086.02	5 004 353.54
CIMD, S.A. – Tax Effect	1 336 723.75	1 324 360.31
CIMD, S.A. – Income Tax (Note 15)	280 688.87	274 625.11
Intermoney, S.A.	68 930.75	-
Wind to Market, S.A.	149.90	-

	Euros	
	2020	2019
Debts with financial intermediaries (Note 11)	253 830.61	184 384.61
CIMD, S.V., S.A.	253 830.61	183 134.61
Intermoney Titulización, S.G.F.T., S.A.	-	1 250.00
Debts with customers (Note 11)	279 535.01	195 858.58
CIMD, S.A. - Deposits received	234 928.40	100 407.18
CIMD, S.A. - Other accounts payable	44 606.61	95 451.40

The breakdown of Income and expenses with Group companies as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	2019
Fees and commissions income	147 461.89	61 000.00
Intermoney Gestión, S.G.I.I.C., S.A.	111 461.89	25 000.00
CIMD, S.V., S.A.	36 000.00	36 000.00
Commissions paid	3.96	32.20
CIMD, S.V., S.A.	3.96	32.20
Interest and similar income (Notes 8 and 18)	69 507.31	100 844.94
CIMD, S.A.	69 507.31	100 844.94
Interest and similar charged (Notes 11 and 18)	-	7 583.31
Intermoney Titulización, S.G.F.T., S.A.	-	7 583.31

The breakdown of “General expenses” with CIMD, S.A. as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	2019
General expenses		
CIMD, S.A.	318 737.00	382 358.75
Rents over assets and installations	218 259.60	231 688.44
Other services of independent professionals	53 600.00	98 730.00
Insurance	20 161.74	21 256.81
Supplies	14 276.10	18 257.50
Communications	9 426.59	9 413.04
Other services	3 012.97	3 012.96

18. Interest margin

The breakdown of the heading "Interest margin" as at 31 December 2020 and 2019 is as follow:

		Euros
	2020	2019
Interest and similar incomes	82 584.35	107 232.12
Loan interests – Group companies (Notes 8 and 17)	69 507.31	100 844.94
Other interest and incomes	13 077.04	6 387.18
Interest and similar charges	(54 277.27)	(50 403.73)
Other financial expenses	(54 277.27)	(42 820.42)
Loan interests – Group companies (Notes 11 and 17)	-	(7 583.31)
	28 307.08	56 828.39

19. Fees and commissions incomes

The breakdown of the heading "Fees and commissions incomes" as at 31 December 2020 and 2019 is as follow:

		Euros
	2020	2019
Equity Operations - Foreign markets	2 939 023.63	2 369 886.16
Equity Operations – Secondary markets	795 580.61	856 847.30
Portfolio management fees	402 207.46	446 725.33
Fees for services	361 081.00	334 913.79
Commissions for royalties	243 397.79	225 931.15
Advisory fees	135 333.31	49 999.92
Commissions for fund trading	86 461.89	-
Others	85 528.76	228 043.29

20. Fees and commissions expenses

The breakdown of the heading "Fees and commissions expenses" as at 31 December 2020 and 2019 is as follow:

		Euros
	2020	2019
Processing and execution of clients orders	1 098 260.08	1 104 110.08
Commissions transferred to other entities	518 122.85	267 812.21
Commissions paid on custody and clearance markets	55 333.75	10 537.35
Trading losses	(45 183.82)	11 934.93
	1 626 532.86	1 394 394.57

The heading of “Trading losses” incurred by the Company in 2020 and 2019 break down as follows:

	2020		2019	
Market	**Number of cases**	**Euros**	**Number of cases**	**Euros**
Variable income	223	(45 183.82)	140	11 934.93
	223	(45 183.82)	140	11 934.93

21. Gains and losses on financial assets and liabilities (net) - Held for trading

The detail of the heading “Gains and losses on financial assets and liabilities (net) - Held for trading” as of 31 December 2020 and 2019 are as follows:

	Euros	
	2020	**2019**
Purchases – sales on Fixed income (Note 6)	3 157 582.00	2 501 184.11
Others	26 740.55	14 705.69
Equity instruments – Funds managed by the Group (Note 6)	4 506.55	267 591.41
Marketable instruments – Fixed income (Note 6)	(3 847.94)	(3 796.75)
Purchases – sales of operations on hedging derivatives (Note 16)	(43 049.78)	(288 283.39)
	3 141 931.38	2 491 401.07

22. Personnel expenses

The breakdown of the heading “Personnel expenses” as at 31 December 2020 and 2019 are as follows:

	Euros	
	2020	**2019**
Salaries and wages	3 759 751.90	3 489 702.02
Social Security	590 283.21	660 623.98
Other personnel costs	116 129.66	157 752.82
Severance pay by dismissals	18 823.06	65 903.22
	4 484 987.83	4 373 982.04

23. Other administrative expenses

The breakdown of the heading "Other administrative expenses" as at 31 December 2020 and 2019 is as follows:

	Euros	
	2020	2019
Communication	901 238.77	1 049 900.24
Rental and installations	264 094.16	280 343.06
Conservation and repair	241 293.67	264 317.51
Other services of independent professionals	185 460.65	220 864.05
Public Relations and Publicity	109 997.70	206 265.04
Other services	69 236.21	87 338.17
Tax and contributions	66 309.12	66 706.91
Banking services	30 838.16	32 725.43
Donations and penalties	29 832.81	54 587.78
Representation and displacements	25 053.41	87 445.29
Insurance	20 161.74	21 256.81
Supplies	17 274.08	22 091.58
	1 960 790.48	2 393 841.87

The parent company of the Group, CIMD, SA, as of December 31, 2020 and 2019, 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 17).

24. 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 2014, 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 2020 and 2019 is as follows:

	2020	2019
	Days	Days
Average payment period for trade payables	19.68	23.81
Ratio paid operations	20.18	24.38
Ratio of pending payment transactions	13.84	15.07
	Euros	Euros
Total payments	2 365 972.44	2 661 732.70
Total pending payments	202 931.54	173 763.64

25. Other information

The members of the Company’s governing body and senior management personnel have accrued salaries and remuneration during 2020 and 2019 amounting to 353 thousand euros and amounting to 327 thousand euros, respectively. During fiscal years 2020 and 2019, the Company paid a total amount of 2 thousand euros in both years for life insurance premiums and 5 thousand euros and 4 thousand euros, respectively, for civil liability insurance premiums.

At 31 December 2020 and 2019 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 2020 consists of two men and a woman.

The external auditors’ fees corresponding to the audit of the Company for the 2020 and 2019 annual periods amounted to 31 thousand euros in both years, 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 2020 and 2019.

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 2020 and 2019, 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 2020, 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.

26. Client attention department

Further to order ECO 734/2004, of 11 March, the Head of the Customer Services department has received no complaints or claims from the company’s customers from its formation to the end of 2020.

27. Subsequent events

There have been no significant subsequent events from the close of the 2020 financial year to the date of formulation of these Annual Accounts.

28. Explanation added for translation to English

These financial statements are presented based on accounting principles generally accepted in Spain. Certain accounting practices applied by the Company that conform with generally accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

DIRECTOR´S REPORT FOR THE YEAR ENDED DECEMBER 31, 2020

- **ECONOMIC AND COMMERCIAL ENVIRONMENT**

In 2020, the level of interest rates has not allowed, once again, to provide much value for our clients in corporate Fixed Income. The negative returns of the entire Spanish Treasury curve until 2030 are a good example of the distortion that exists in the market, derived from the intervention of the European Central Bank (ECB), which outweighs the uncertainty caused by the health crisis due to the pandemic, and the consequent economic slowdown.

The monetary stimulus policy maintained by the ECB is having little effect on a possible economic recovery, not even as a financing tool for the private sector. But of course, it allows greater indebtedness of the Public Sector at zero cost while the real economy suffers falls in GDP (double digits) that are hardly sustainable.

As an asset and despite its attractiveness, the Spanish Equity has suffered the only falls in volume (-8.57%) and in its index (-0.04%) of all the stock exchanges in our environment, motivating our greater operations in international Stock Exchanges in relation to with (vs) domestic equities.

In Fixed Income, it was possible to take advantage of forced sales in very liquid sectors (financial and cars) in March, coinciding with the start of the pandemic, by many investors in search of liquidity.

Regulation and the misunderstanding of "best execution" have continued to take a toll on our capabilities to the detriment of clients who continue to "need" ideas and value for their work without being able to monetize them by intermediaries.

In this context, the risk premium spread between Germany and Spain has remained averaged 85 basis points (bp) with a maximum of 153 bp in April and a low of 59 bp in December. The profitability of the Spanish 10-year bond, which started the year at 0.50%, reached 1.21% in March with the pandemic and narrowed to negative territory in December (-0.02%).

Teleworking has reduced commercial action and activity in general, where we have been able to see some managers with 100% of the workforce teleworking.

Despite the volatility of last year having doubled, to 27% on average, reaching levels not seen since 2016, it has not been enough to mitigate the impact of the Mifid II regulation on Equities.

The obligation to separate analysis (and charge for it) from the execution of orders has resulted in an analysis area converted into a structural cost center, although necessary, making the weight of the structure on the generation capacity so high.

The continuous drop in volumes and the commoditization of the execution commissions lead to a loss service that depends on the disappearance of players to survive. We do not expect any volume increase in Equities.

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

DIRECTOR´S REPORT FOR THE YEAR ENDED DECEMBER 31, 2018

ACTIVITY OF INTERMONEY VALORES, S.V., S.A

Intermoney Valores, S.V., S.A. continues to be a benchmark in the Fixed Income Market and, taking into account the market situation, a great job has been done. This year the average margins per operation have increased with a somewhat lower operating recurrence / turnover and with average nominals per operation very similar to 2019.

The fall in volume for the 4th consecutive year on the Spanish Stock Market has caused it to account for only 26% of our revenues (vs. 42% in 2018). In Spain there is still an excess capacity in Equity brokerage and analysis that we hope will be rationalized at some point. The disappearance of an intermediary, together with the discontinuity of the institutional intermediation service in Equities of the Large Bank, has had some positive effect on our generation capacity, achieving a significant reduction in our losses in this activity.

Throughout 2020, the Analysis Area has produced numerous reports and coverage, but the impossibility of holding seminars, breakfasts and trips has made all the intermediation turn to organizing online meetings, generating a closer relationship between investors and issuers to the detriment of the role of value intermediation.

The results after tax for the year 2020 have been -20 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.

The newly released Tax on Financial Transactions does not help either.

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 2021 YEAR

By 2021, in Fixed Income we must be able to compensate for adversity by enhancing operations between clients, placing product originated and structured by Intermoney Titulización, SGFT, S.A. and attracting clients in the private banking and family office segment.

In Equities, our ability to sell a differential analysis should help us maintain income in an environment where we must see and/or participate in its consolidation.

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

DIRECTOR´S REPORT FOR THE YEAR ENDED DECEMBER 31, 2018

Treasury shares

During 2020, the Company neither owns nor has carried out any business with treasury shares.

Research and development and the environment

In the course of 2020, 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.

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 2020 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 2020, 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 2020 financial year to the date of formulation of these Annual Accounts.

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

PRESENTATION OF THE ANNUAL ACCOUNTS AND DIRECTOR´S REPORT FOR THE YEAR ENDED DECEMBER 31, 2020

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, 2020.

Description:	INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.
Nature:	Investment services Company
Location:	Madrid (Spain)
Turnover:	5.049 thousand euros
Number of full time employees[1]:	47
Gross profit before tax:	(26) thousand euros
Tax on profit:	(6) thousand euros
Subsidies or public aid received:	None
Return on assets:	-0.05 %

[1] It does not include interns.

INTERMONEY VALORES, SOCIEDAD DE VALORES, S.A.

ANNUAL REPORT OF INVESTMENTS SERVICES COMPANIES FOR THE YEAR ENDED DECEMBER 31, 2020

The Board of Directors of Intermoney Valores, Sociedad de Valores, S.A. presented the annual accounts and Director´s report for the year ended December 31, 2020 in its meeting held on March 11, 2021, which were signed by the Board Members.

Mr. Javier de la Parte Rodríguez

Mr. Emanuel Guilherme Louro da Silva

Mrs. Beatriz Senís Gilmartín

grupo cimd
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