



**emuclear**

**ANNUAL REPORT  
AND ACCOUNTS**

**2021**

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## ABBREVIATIONS

**OMIClear**

OMIClear, C.C., S.A.

**OMI**

OMI – Operador do Mercado Ibérico

**OMIP**

OMIP – Pólo Português, S.G.M.R., S.A.

**OMIE**

OMI – Polo Español, S.A.

**OMIP, S.A.**

**OMIP SGPS**

OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A.

**OMEL**

Operador del Mercado Iberico de Energía, Polo Español, S.A.



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01

## MESSAGE FROM THE CHAIRMAN

**T**he year 2021 was marked by an economic recovery as a result of the rapid rollout of vaccines and the suspension of stricter rules on the movement of people enforced at the beginning of the COVID-19 pandemic. Nevertheless, new lockdowns were imposed during the year as well as personal protection and hygiene measures to help reduce the spread of the disease, especially with the detection of new coronavirus variants.

This scenario of uncertainty led to high price volatility in international energy markets, Europe being directly affected due to its high energy dependence on fossil fuel imports. The increase in energy demand was not matched by supply. The supply of natural gas was restricted by Russia, Norway and North Africa, which increased competition for LNG cargoes between Europe and Asia, pushing up the price of this fuel to historic highs in the second half of the year. The increase in natural gas prices was directly reflected on the European electricity markets, which were still impacted by the reduction in hydro and wind power production, as well as the extent of outages of some nuclear power plants. Another factor that contributed to the rise in electricity prices was the strong increase in CO<sub>2</sub> emission allowances, with the European reference contract almost tripling in value during the year.

Against this backdrop of uncertainty, the European Union (EU) has continued to pursue the development of internal electricity and natural gas markets and the decarbonisation of the economy. The European Commission, led

by President Ursula von der Leyen, approved the new “Fit for 55” package which includes a series of legislative and policy proposals to enable the EU to meet its new target of dropping greenhouse gas emissions by 55% by 2030.

In the Iberian scenario, the resolution of 6 May 2021 of the National Markets and Competition Commission (CNMC) approved the operating rules of the Daily and Intraday Electricity Markets to adapt the offer limits to the European matching limits. This harmonisation provided for by the European Association for the Cooperation of Energy Regulators (ACER) changed the minimum and maximum price range from 0 and +180.30 €/MWh to -500 €/MWh and +3,000 €/MWh for the daily market, and -9,999 €/MWh and +9,999 €/MWh for the intraday market. Meanwhile, the governments of Spain and Portugal had to apply emergency measures to reduce the impacts of the increase in electricity prices in the wholesale market for end consumers, namely VAT reduction, suspension of the generation tax, extraordinary auctions, among others.

The OMI Group is a reference player in the transition to a sustainable greener approach and its member companies are at the forefront of industry in Europe. Market operators, OMIP and OMIE, and the OMIClear Clearing House are involved in several initiatives with a strong innovation component in the structuring of electricity and natural gas markets in the Iberian Peninsula, with a particular focus on creating the conditions for renewable energies to enter the market in such a way as to help their development, and especially the financing thereof.



*The volumes traded on the energy markets in Spain and Portugal increased compared to the previous year, despite the general downward trend seen in other European countries. The total volumes of electricity and natural gas derivatives in the Iberian market in 2021 grew by 1% and 91%, respectively, compared to 2020. The significant growth in the natural gas segment reflects the growing importance of the capacity to receive LNG at Iberian terminals and the consequent entry of new international players. These figures confirm the recent developments in a dynamic market, which is reflected in the search for longer-term contracting solutions in the electricity segment, and also the changing consumption behaviours associated to energy transition, in which natural gas plays an increasingly important role in replacing coal-fired electricity generation and in ensuring security of supply as a complement to intermittent renewable generation.*

*After the price drop in 2020 in the first phase of the pandemic, in 2021 the price of energy commodities escalated. The average price of electricity on the MIBEL spot market for the Spanish zone was 111.93 €/MWh and 112.01 €/MWh for the Portuguese zone, values much higher than the 2020 averages, 33.96 €/MWh*

*and 33.99 €/MWh, respectively. The same was true for day-ahead natural gas contracts with delivery in the PVB-ES, whose average in 2021 was 47.66 €/MWh, compared to 10.24 €/MWh in 2020. At the end of the year, electricity and natural gas in the Iberian Peninsula hit an all-time high of 339.84 €/MWh and 173.07 €/MWh respectively. This scenario makes it all the more important for agents involved in the energy market to develop long-term sound strategies.*

*Thus in 2021 OMIClear continued efforts to expand its clearing and settlement services for electricity futures contracts, covering maturities up to 10 years, and to attract new participants, in particular new General Clearing Member entities. A sign of this effort is that OMIClear was the clearing house with the highest traded volume of Spanish 10-year contracts (Year 2031), and that the formal admission process of a new bank taking on the role of General Clearing Member was completed.*

*Regarding the outlook for 2021, OMIClear, like other OMI Group companies, will continue to be active and will monitor the development of the domestic electricity and natural gas markets, in the context of energy transition and decarbonisation of the economy. OMIClear, in coordina-*

tion with OMIP, will continue to work towards expanding its portfolio of natural gas service, developing tools to facilitate managing the risks associated to different pricing between electricity and natural gas, for example Financial VTP-ES Natural Gas Futures, Financial Spark Spread, and VTP-TTF Natural Gas Spread. Within the scope of natural gas clearing services, note should also be made of the cooperation with MIBGAS and MIBGAS Derivatives. In this respect, in 2022m after obtaining regulatory approval, plans are to launch the natural gas Futures with physical settlement in the PVB and price-indexed to the TTF, and the natural gas Futures with physical delivery in the Spanish Virtual LNG Tank (TVB) and in the Portuguese Virtual Trading Point (VTP). OMIClear is also analysing new areas of products and services that allow greater risk hedging, in particular weather risks, broadening its portfolio to increase investment in technologies for generating electricity from renewable sources. OMIClear also intends to continue the internal cooperation within the OMI Group, extending it to areas and activities where its experience in risk management and collateral management truly matters. Finally, OMIClear will continue to offer integrated REMIT reporting service, which covers the various participants' obligations in wholesale energy markets, in par-

ticular obligations arising from participation in the OMIE daily and intraday market, in the OMIP futures market, and the reporting of non-standard electricity and natural gas contracts and of fundamental data.

The strategy to expand the portfolio designed to meet the needs of market agents, together with the high level of client service always provided by OMIClear gives our company the trust and courage needed to face the challenges ahead, in particular the fierce increase in competition. Consequently, the immediate steps will be to continue to diversify in order to mitigate risks, most of which are beyond our control, and to maintain a very tight budget structure, yet flexible enough to efficiently respond to any opportunity.

Finally, we would like to thank the entire OMIClear team, including the non-executive directors, for their excellent work in these particularly difficult times, and to express our thanks to all the shareholders for their ongoing support and trust.

Lisbon, 17 March 2022

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**Martim Vasconcelos Sá**  
Chair of the Board of Directors

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# 02

## COVID—19

The second year of the COVID-19 pandemic continued to affect the economy in general, to which financial markets were not immune. Despite advances in vaccination rollout and the drop in the number of deaths caused by the disease, 2021 still saw new lockdowns to reduce the spread of the virus, leading to the postponement of face-to-face events, less travel, and high levels of instability and uncertainty.

An event of this magnitude inevitably brought with it new risks and stressors to the energy sector, and to OMIClear's activity in particular. Some of these instability factors were difficult to identify and foresee, at least at an initial phase, and others were totally beyond the control of OMIClear, as they were mostly related to the impacts of the pandemic on the activity of market agents, clients and external service providers.

One of OMIClear's priorities since the pandemic outbreak was to assess the main risks and potential impacts, and to implement all possible mitigation measures to cover its activity and relationship with its clients. Thus, in the first quarter of 2021 a survey identified the following major events:

- Disruption or interruption in market operations to which it is linked;
- Decrease in registered volumes and in general activity on the market;
- Decrease in demand for products and services offered by OMIClear, due to the decrease in economic activity, and consequent drop in electricity consumption, and the need for hedging in forward markets;
- Possibility of key staff being prevented

from working due to Covid-19 infection or related diseases;

- Decrease in OMIClear's operational efficiency as a result of employees working remotely;
- Decrease in the operational efficiency of OMIClear's participants and clients due to the fact that its employees are working remotely;
- Impact on external service providers and their ability to maintain the contracted service levels;
- Delays in the rollout of new products and in developing strategic initiatives;
- Impacts on the capacity to expand the agent base and increase the volume and level of activity in the markets to which it is associated, since it is impossible to hold face-to-face meetings and agent committees, in addition to other constraints arising from social distancing;
- Increased operational and financial stress felt by Clearing Members, due to high levels of volatility, and significant potential losses resulting from reduced trading or default events;
- Increased risks related to technological platforms and IT security.

Thanks to the measures implemented throughout the pandemic, including the adoption of a mixed arrangement between on-site and remote work, frequent disinfection and cleaning of common work areas in the building and individual workstations, mandatory use of a mask when in close proximity to other employees, asynchronous work shifts, and ruling out face-to-face meetings with people external to OMIClear, no



employees were infected and the virus did not spread in the company. As such, the company's operational efficiency was not affected.

The teleworking model adopted followed the rules set by the Portuguese General Directorate for Health, rotating between a mixed arrangement and teleworking only. It should be noted that the implementation of such arrangements did not affect forward market management, the quality of services rendered, the plan to roll out new products and services, and the development of new initiatives. The usual high level of service quality that characterises OMIClear was maintained, with no disruption or disruptive event clouding the company's various activities.

This is both the result of the effort and work carried out by the Systems team, who by complying with strict computer security protocols

was able to ensure the remote access of all employees to computer platforms and systems, and to the fact that all employees were able to adapt to all constraints related to teleworking, overcoming the challenges thereof.

Given the unique and unpredictable nature of the pandemic, its impacts are still largely unknown and may extend over time, years even. Due to the spread of the virus, the Portuguese and Spanish governments implemented measures restricting freedom of movement of people and social contact, with the result that usual travelling, visiting and face-to-face meetings were no longer allowed, including holding agents' committees, an activity that enabled more direct contact with market entities. Nevertheless, bilateral conversations continued with agents via video calls, to maintain proximity and meet the needs of the market.

# 03

## DERIVATIVES MARKET



# DERIVATIVES MARKET

## 3.1. Background

As the economy began to recover and, consequently, the increase in energy demand was not matched by supply, 2021 saw a high increase in the price of energy commodities, especially in Europe. The average annual spot prices of electricity in the MIBEL Spanish and Portuguese zones hit an all-time high of 111.39 €/MWh and 111.46 €/MWh, respectively.

This difference was more accentuated due to the fact that in 2020 MIBEL spot prices were at historical lows due to the impacts caused by the onset of the COVID-19 pandemic. The change in annual averages was 77.43 €/MWh for the Spanish zone and 77.48 €/MWh for the Portuguese zone.

last year in which the price in the Portuguese zone was lower was in 2016.

As for Futures in the Spanish zone, and considering contracts with greater liquidity (Following Month, Following Quarter and Following Year), a tendency towards price increases was noted, more accentuated in the last months of the year.

In terms of annual average, monthly contracts grew from 36.90 €/MWh in 2020 to 121.54 €/MWh in 2021, while quarterly contracts increased from 39.84 €/MWh in 2020 to 119.80 €/MWh in 2021, and the price of annual contracts went up from 43.99 €/MWh in 2020 to 89.07 €/MWh in 2021.

FIGURE 1  
SPOT PRICES (€/MWh) 2007 TO 2021. ANNUAL AVERAGE.  
SPANISH AND PORTUGUESE ZONES.

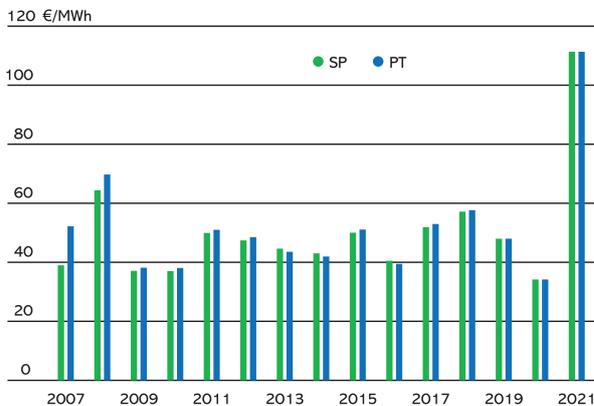


FIGURE 2  
FUTURES PRICE QUOTES - FIRST CONTRACTS (€/MWh).  
SPANISH ZONE.

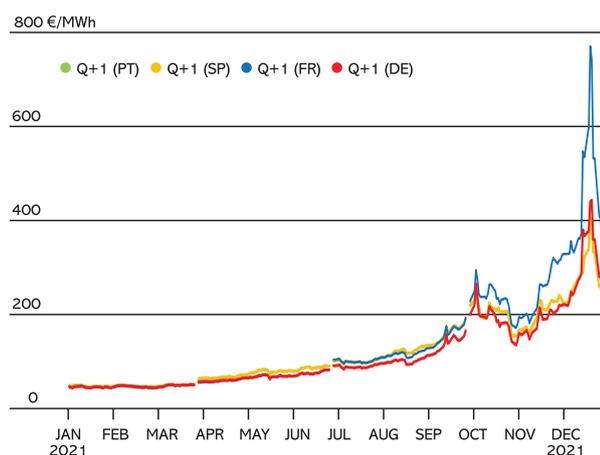


In 2021, as in previous years, the average price in the Portuguese zone was slightly higher than that in the Spanish zone by 0.07 €/MWh. The

In terms of prices, Figure 3 shows the changes relating to the first quarterly contracts in the MIBEL, French, and German zones throughout

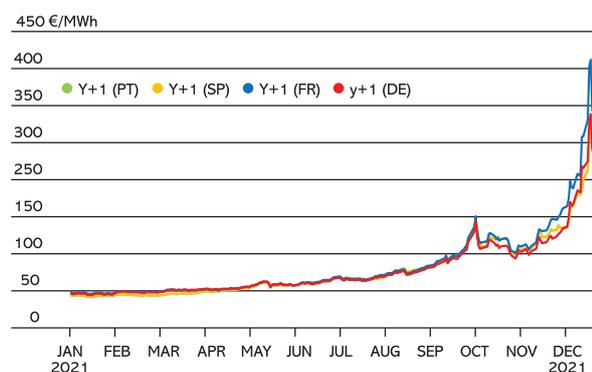
2021. The second quarter is of note, when Iberian prices were around 10 €/MWh above the prices of the other two central European countries, while in the fourth quarter, which saw a strong price hike, the French zone was the most affected, with spreads higher than those of the Iberian zone by 367 €/MWh. This was due to increased concerns over natural gas supply in Europe during the winter period, when there is greater demand, combined with unscheduled maintenance works at some nuclear plants in France.

**FIGURE 3**  
CHANGES IN THE PRICE OF FUTURES CONTRACTS FOLLOWING QUARTER (Q+1), IN THE MIBEL SPANISH AND PORTUGUESE ZONES, FRENCH ZONE, AND GERMAN ZONE.



In the annual contract (Year+1), shown in Figure 4, a similar trend is found, with a significant increase in prices throughout the year, especially in the French zone. In December, the French annual contract reached a maximum of 407 €/MWh, around 100 €/MWh above the corresponding contract in the MIBEL zone.

**FIGURE 4**  
CHANGES IN FUTURE CONTRACTS PRICES - FOLLOWING YEAR (Y+1), IN THE SPANISH AND PORTUGUESE MIBEL ZONES, FRENCH ZONE, AND GERMAN ZONE.



The rise in electricity prices in 2021 was directly related to European energy commodity market developments, with a strong correlation with the natural gas market. For the Spanish zone (PVB-ES), average prices for first contracts for monthly, quarterly and annual maturities were 48.62 €/MWh, 47.64 €/MWh and 34.88 €/MWh, respectively, compared to 10.65 €/MWh, 11.55 €/MWh and 14.30 €/MWh.

In 2021, natural gas delivered in the PVB-ES hit an all-time high, with following month contracts peaking at 180.57 €/MWh, as shown in Figure 5.

**FIGURE 5**  
NATURAL GAS FUTURES PRICES - FIRST CONTRACTS (€/MWH). SPANISH ZONE.





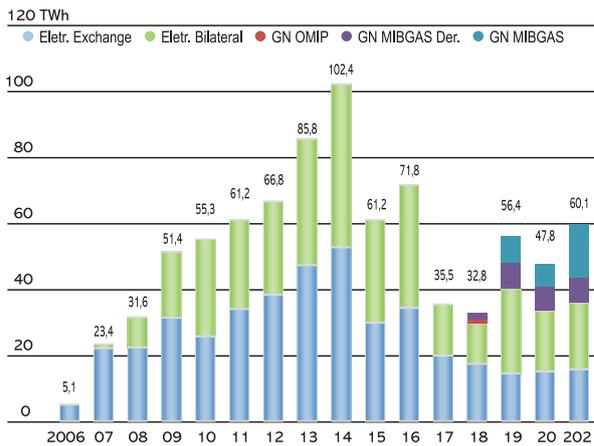
### 3.2. Clearing and Settlement

The volume registered and cleared by OMIClear, considering electricity and natural gas derivatives from OMIP and MIBGAS Derivatives, increased 26% compared to the previous year, from 47.8 TWh to 60.1 TWh. The volume of natural gas contracts represented about 40% of the total cleared by OMIClear, compared to 30% in 2020. The notional value represented €4.081 million.

TABLE 2  
OMICLEAR ACTIVITY INDICATORS

	2021	2020
<b>Registered volume (TWh)</b>	<b>60,1</b>	<b>47,8</b>
<i>Electricity</i>	<i>36,0</i>	<i>33,6</i>
<i>Natural gas</i>	<i>24,1</i>	<i>14,2</i>
<b>Notional value registered (M€)</b>	<b>4 081</b>	<b>1 585</b>

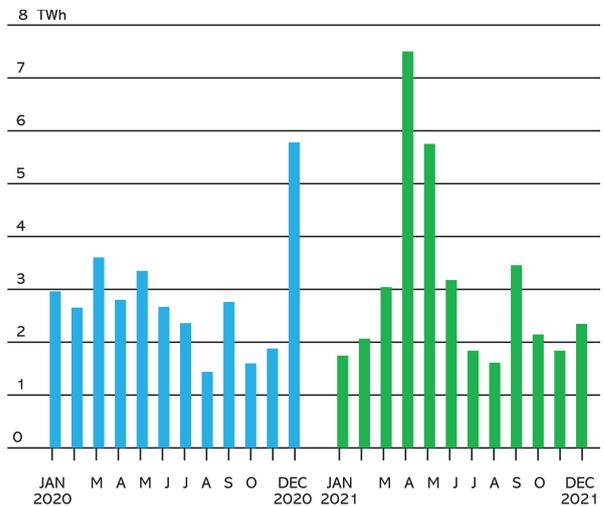
FIGURE 6  
ANNUAL VOLUME CLEARED BY OMICLEAR (TWH)



In 2021, of the 36.0 TWh cleared electricity volumes, 15.8 TWh were cleared either through continuous trading or auctioned at OMIP and 20.2 TWh through OTC trading. As regards natural gas, a total of 24.1 TWh were cleared, from auctions and continuous trading in MIBGAS (16.4 TWh), and auctions, continuous trading and OTC registration in MIBGAS Derivatives (7.7 TWh).

In the electricity segment, the separate analysis of each month indicates that cleared volumes typically show some volatility throughout the year. April and May were the months with the largest volumes, and January and August those with the least volume registered with CCP.

FIGURE 7  
MONTHLY ENERGY VOLUME (ELECTRICITY) REGISTERED WITH OMICLEAR IN 2020 AND 2021 (TWH)

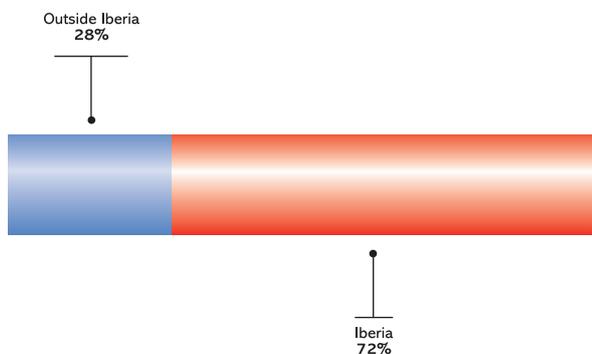


With the aim of continuing to promote market liquidity, OMIClear worked with OMIP to support the Market Makers programme. In this context, the following aspects are particularly relevant:

- The setting up of an annual contract with all Market Makers;
- In 2021, the same companies continued as Market Makers: Endesa and AXPO Ibérica.
- In 2021, Market Makers mediated the monthly, quarterly and annual Futures contracts in the Spanish zone.

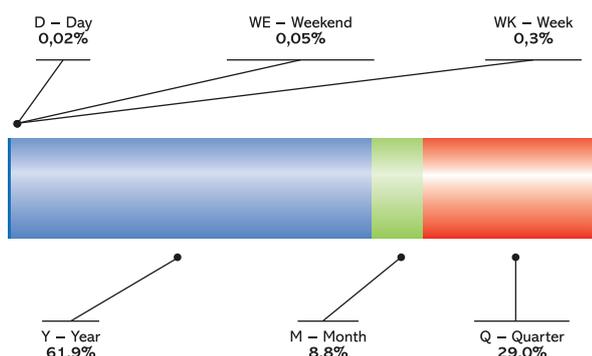
Figure 8 shows that 72% of the total volume cleared in 2021 was traded by entities domiciled in the Iberian Peninsula, a percentage higher than that in 2020 (65%), showing the increasing weight of Iberian entities in the MIBEL forward market.

**FIGURE 8**  
DISTRIBUTION OF VOLUMES CLEARED BY OMICLEAR BETWEEN IBERIAN AND NON-IBERIAN ENTITIES.



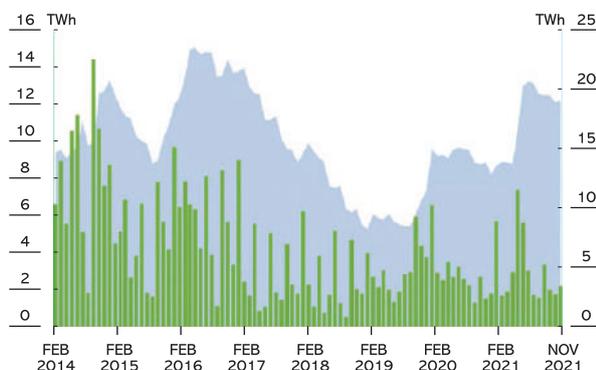
As regards contracts listed for trading, and in terms of equivalent energy, annual contracts were traded the most (about 61.9% of the total available portfolio at OMIP, as shown in Figure 8, followed by quarterly and monthly contracts). Short term maturity financial instruments are still clearly the ones with the least market share. Weekly contracts represent 0.3% of traded volume, while weekend and daily contacts represent less than 0.1%.

**FIGURE 9**  
DISTRIBUTION OF CLEARED VOLUMES BY MATURITY AT OMIP



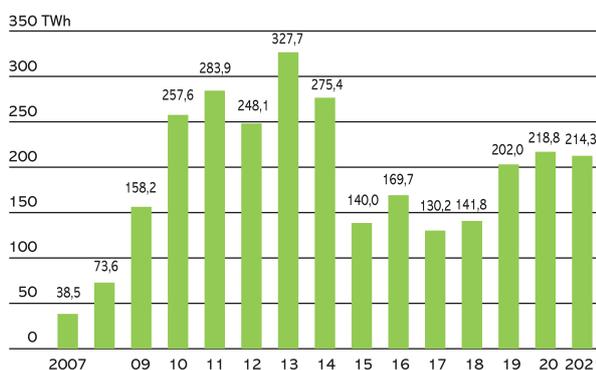
Open Interest positions in the electricity segment showed a slight upward trend from the second half of 2021, followed by a slight decrease in the second half when fewer volumes were traded.

**FIGURE 10**  
AVERAGE MONTHLY VALUE OF OPEN POSITIONS OF ELECTRICITY CONTRACTS REGISTERED WITH OMICLEAR (MWH)



The annual OTC volume in the Spanish zone dropped by 2% in 2021, in a total of 214.3 TWh, compared to 218.8 TWh in 2020. OTC traded volumes registered with OMIP went up 10% compared to the previous year, due to the registration of longer-term contracts, also known as PPAs.

**FIGURE 11**  
ANNUAL VOLUME OF TOTAL OTC (CLEARED BY THE CLEARING HOUSE AND OTC)





### 3.3. Participants

OMIClear has three types of participants: (i) clearing members, which are counterparties in the registered operations; (ii) settlement agents, who only play the complementary role of facilitating or providing settlement services to the clearing members, through the TARGET2 System of European Central Banks in the case of financial settlements, and through OMIE and Enagás GTS, in the case of physical settlements, thus not being a counterpart in the transactions, and (iii) registration agents, i.e. the clients of the clearing members with whom they deal with and who are able to register operations cleared or settled by OMIClear through access to negotiation, registration or clearing platforms.

In 2021, one new general clearing member and one new direct clearing member were admitted. On the other hand, two general clearing members ceased their activities. Nine new registration agents were admitted, while only one registration agent ceased their activity.

At the end of the year, there were 9 clearing members and 95 registration agents. In turn, there were 63 settlement agents, 56 of whom dealing with physical settlement and 7 with financial settlement.

The table below lists the OMIClear participants as at 31 December 2021, specifying the status of each participant.

**TABLE 3**  
LIST OF PARTICIPANTS (31 DECEMBER 2021)

	Direct Clearing Member	General Clearing Member	Registration Member	Financial Settlement Member	Physical Settlement Member
Acciona GED			██████████		
Adelfas Energía, S.L.			██████████		██████████
Alpiq AG			██████████		██████████
Antuko Energía			██████████		
AOT Energy Switzerland AG			██████████		██████████
Audax Renovables, S.A.			██████████		██████████
AXPO Iberia	██████████		██████████		██████████
Banco L.J. Carregosa				██████████	
Banco Santander		██████████	██████████	██████████	
BP Gas Europe S.A.U.			██████████		██████████
BP Gas Marketing Limited			██████████		
Caixa Geral de Depósitos		██████████	██████████	██████████	
Catgas Energía			██████████		██████████
Céltica Energía			██████████		
Cepsa Gas Comerc.			██████████		██████████
Cepsa Gas y Electricidad			██████████		
CIMD - Sociedad de Valores, S.A.			██████████		
Citadel Energy Invest.			██████████		
Comerc. Regulada G&P			██████████		██████████
Danske Commodities, A/S			██████████		
Deutsche Bank – Suc. Port				██████████	
DISA Energy			██████████		██████████
Dreue Electric S.L.			██████████		
DXT Commodities	██████████		██████████		██████████
Ecochoice, S.A.			██████████		
EDF Trading Limited			██████████		██████████
EDP Clientes			██████████		██████████
EDP Energias de Portugal			██████████		██████████
EDP España, S.A.U.			██████████		██████████
EGL, A.G.					██████████
Electricidad Eleia, S.L.			██████████		██████████
Endesa Energía S.A.			██████████		██████████
Endesa Energía XXI, S.L.			██████████		██████████
Endesa Generación, S.A.	██████████		██████████		██████████

	Direct Clearing Member	General Clearing Member	Registration Member	Financial Settlement Member	Physical Settlement Member
Energía DLR Comercializadora			████████		
Enérgya VM			████████		████████
ENET Energy, S.A.			████████		████████
Enforcesco S.A.			████████		
Engie España			████████		████████
Engie Global Markets SASU	████████		████████		
Eni España Comercializadora de Gas, S.A.U.			████████		████████
Eni Global Energy Markets SpA			████████		████████
Evergreen Electrica S.L			████████		
Factor Energía, S.A.			████████		████████
Fenie Energía			████████		████████
Foener Energía, S.L.			████████		████████
Fortia Energía Servicios			████████		
Fortia Energía, S.L.			████████		████████
Freepoint Commodities B.V.			████████		████████
Freepoint Commodities Europe LLP			████████		
Futura Energía y Gas			████████		████████
Galp Gas Natural, S.A.			████████		████████
Gas Natural Comercializadora			████████		████████
GeoAtlanter S.L.			████████		
Gesternova, S.A.			████████		
Gnera Energía y Tecnología			████████		
Goldman Sachs Bank Europe			████████	████████	
Goldman Sachs Paris		████████			
HEN - Servicios Energéticos			████████		
Holaluz-Clidom			████████		████████
Iberdrola Clientes España, S.A.U.	████████		████████		████████
Iberdrola CUR			████████		
ICAP Energy, AS			████████		
Ignis Energía			████████		████████
Incogas			████████		████████
J. Aron & Company					████████
Jafplus Energía Lda			████████		
Kyonynsys Century S.L.U.			████████		
Ledesma Comerc. Elec.			████████		
Macquarie Bank Limited			████████		
Mercuria Energy Trading, S.A.			████████		
MET International			████████		████████
Molgas Energía			████████		████████
Morgan Stanley Bank, AG				████████	
Naturgy Commodities Trading			████████		████████
Nexus Energía, S.A.			████████		████████
Pavilion Energy Spain			████████		████████
PetroChina (London)			████████		████████
Petrogal, S.A.			████████		
PH Energía, Lda			████████		
Régsiti Comerc. Reg.			████████		████████
Renta4 Banco, S.A.		████████		████████	
Repsol Generación Eléctrica			████████		████████
Repsol LNG Holding			████████		████████
Repsol Trading, S.A.			████████		
Rock Trading World			████████		████████
RWE Supply & Trading			████████		████████
SEET GAS, S.L.			████████		████████
Shell Energy Europe Ltd.			████████		
Sonatrach Gas Comercializadora S.A.			████████		████████
SU Eletricidade, S.A.			████████		████████
SWAP Energía, S.A.			████████		████████
Switch Energy, S.L.			████████		
TotalEnergies Gas and Power			████████		████████
TP ICAP (Europe)			████████		
Trafigura PTE Ltd			████████		████████
TrailStone GmbH			████████		
Tullett Prebon (Securities) Ltd.			████████		
Uniper Global Commodities SE			████████		████████
Vertsel Energía S.L.U.			████████		
Viesgo Renovables			████████		
Villar Mir Energía			████████		



Spain and Portugal account for the majority of companies registered with OMIClear in all categories, though the distribution of such representation is not symmetrical for all functions.

As in recent years, a survey was carried out among clearing members to analyse the risk levels taken by OMIClear.

The main conclusions are that both the systems and the management model have responded very adequately to market and that each member's risk level lies within very comfortable parameters in view of the collateral deposited.

**TABLE 4**  
LIST OF PARTICIPANTS (31 DECEMBER 2021)

	Direct Clearing Member	General Clearing Member	Registration Agent	Financial Settlement Agent	Physical Settlement Agent
Spain	3	2	58	2	37
Portugal		1	10	3	3
United Kingdom			9		4
Switzerland	1		8		8
Germany			4	2	2
France		1	1		
Belgium	1		1		
Italy			1		1
Ireland			1		
Denmark			1		
Norway			1		
USA					1
<b>TOTAL</b>	<b>5</b>	<b>4</b>	<b>95</b>	<b>7</b>	<b>56</b>
Iberian	3	3	68	5	40
Non-Iberian	2	1	27	2	16

# 04

## RISK MANAGEMENT SYSTEM



# RISK MANAGEMENT SYSTEM

The Board of Directors is responsible for implementing OMIClear's strategy and risk management system.

OMIClear breaks down risks into the following categories, each of which is controlled according to specific principles:

- Credit Risk;
- Legal and Operational Risk;
- Liquidity Risk;
- Market Risk; and
- Commercial Risk.

Given that credit risk is the most relevant risk to which OMIClear is subject, it is fully covered by the margin system. In 2021, the risks measured according to the rules laid down in the Commission Delegated Regulation (EU) No 152/2013 were always hedged by the available funds.

In operational terms, the Board of Directors is directly responsible for assessing commercial risk. In agreement with the risk management principles in force, the follow-up, monitoring and control of credit, liquidity and market risks, as well as the reporting to the Board of Directors and the Risk Committee were carried out by the Chief Risk Officer, supported by the Clearing Department. The monitoring of legal and operational risk continued to be the charge of the Chief Internal Audit, while the Chief Risk Officer remained in charge of reporting on a monthly basis (risk indicators) to the Board of Directors and the Chief Internal Audit on an annual basis (report on the exposure to the legal and operational risk).

A risk report, which is the key tool to inform the administration body about the risk situation of OMIClear, is prepared every month. This report is complemented by *ad hoc* reporting on specific topics whenever materially relevant situations arise. The situation is reported to the Risk Committee at least three times a year.

Internal Audit assesses the suitability and operability of the risk management system.

## 4.1 Credit Risk

One of the key elements of the risk strategy is to fully cover the counterpart risk by building several lines of defence, consisting of the following main components:

### Conditions for admission

Only institutions with sufficient financial capacity and with the appropriate human, technical and operational conditions to settle the registered operations are admitted as clearing members.

### Daily mark-to-market over futures contracts

Daily mark-to-market during the trading and delivery period of all Futures contracts registered and cleared with OMIClear are credited or

debited via the Target payment system to the respective clearing members on a daily basis.

When the Futures enter their delivery period, the credit risk is hedged through the variation margin. For eligible Swaps and Forwards contracts, such adjustments are calculated on a daily basis, but instead of being settled they are collateralised (i.e. hedged by collateral) via variation margin throughout the life cycle of the contract (trading period and delivery period).

### Margin system of the clearing member

Clearing members must at all times have constituted guarantees with OMIClear to hedge both their own responsibilities and those of their clients.

The responsibilities of each clearing member include a margin (initial margin) to hedge the risk of incurring in losses in the closing of positions in a short period of time, arising from the worst price variation estimate. The parameters used to calculate this margin follow the principles defined in Chapter VI (Margins) of the Commission Delegated Regulation (EU) No 153/2013, namely in terms of: (i) confidence interval (OMIClear: 99 %); (ii) a time horizon that hedges against a full range of market conditions, including periods of stress (OMIClear: since the first observation, with the exception of Futures SPEL Base, for which the period considered goes from January 2008 to the most recent date when the margin was calculated); (iii) period of settlement of positions in a default scenario (two days); (iv) margin credits based on evidence of price correlation and in accordance with the limit imposed in Article 27 of said Regulation, and (v) limitation of the procyclical effect (OMIClear: application of a 25 % weighting factor to stress situations observed in the period under analysis). Furthermore, to calculate the initial margin OMIClear applies aggravating factors over positions above a specific volume and for which a settlement period of three days is considered.

In addition to the initial margin, which is calculated for each clearing account, clearing members are also required to consider an extraordinary margin if the aggregate net positions of all clearing accounts are considered concentrated positions (extraordinary margin for concentration risk). This margin is calculated per product and applies whenever the open positions in a given product exceed the value equivalent to 3 times the average daily volume traded in the last 12 months.

### Autonomous reserve

The autonomous reserve consists of the amount resulting from the enforcement of fines and pecuniary payments by OMIClear on participants, less costs and charges that OMIClear may have incurred as part of the respective sanction procedures.

The autonomous reserve is a specific OMIClear fund intended to hedge default cases and is identified as such in the balance sheet.

### Other OMIClear funds (*Skin in the game – SIG*)

OMIClear has also established a cash reserve in the amount of €1 875 000, fully available and intended to hedge defaults.

### Clearing fund

The clearing fund is an additional form of security that is shared by all the clearing members. This fund is designed to respond to the default of a clearing member whose costs to solve it are greater than the collateral provided by the defaulting member for that purpose, namely those constituted as margins and additional collateral.

The amount of the clearing fund is established according to the results of the stress tests carried out daily in extreme but plau-



sible scenarios. The clearing fund is defined according to the following assumptions: (i) it should allow OMIClear to hedge the default of the clearing member to which it is more exposed, or of the second or third clearing members to which it is more exposed, if the total of such exposures is higher, and (ii) along with OMIClear's other own financial resources, (SIG and autonomous reserve), it should hedge a default situation of at least two clearing members to which it is more exposed in extreme but realistic market conditions.

Additionally, a minimum individual contribution of €150,000 is established for each clearing member.

### **Additional liability in the clearing fund**

Each clearing member takes on an additional liability in an amount equal to its reference value used to set up the clearing fund, therefore the value of its overall liability is equal to twice the reference value. This liability is only required in a default situation where the amount of the contribution to the clearing fund (pre-collateralised as guarantee) is not sufficient.

### **Constitution of guarantees and haircut applied to guarantees**

OMIClear only accepts guarantees in the form of cash and financial instruments representative of public debt. To avoid exchange rate risk, only amounts in EUR are accepted. Price fluctuations of financial instruments are hedged by applying properly evaluated haircuts. Guarantees are re-evaluated daily, taking into consideration the risk of concentration.

Additionally, there is a counterparty credit risk arising from the enforcement of the cash guarantees received from clearing members. For this reason, these funds are used (i) in repo operations against titles with a low risk and high

liquidity, (ii) in short term collateralised deposits with a low risk and high liquidity titles, or (iii) in checking accounts with Banco de Portugal, or (iv) in non-collateralised one-day deposits, and in all cases with credit institutions recognised by OMIClear (subject to an external credit risk evaluation carried out by OMIClear, as per its internal policy).

The counterparty risk in 2021 – measured by the initial margins required of the clearing members – peaked at €872.8 million on 31 December, and an average value of €219.8 million, compared to the average value of €79.7 million in 2020.

Throughout 2021, the total value of collateral constituted with OMIClear to meet the liabilities taken on by the clearing members by way of margins represented, on average, 1.6 times the total value required as initial margins. Note that the average calculated for all clearing members and clients of clearing members with segregated guarantee clearing accounts stood at 3.8.

In 2021, the development of the total initial margin and of collateral deposited to meet the liabilities of clearing members by way of margins is shown below<sup>1</sup>:

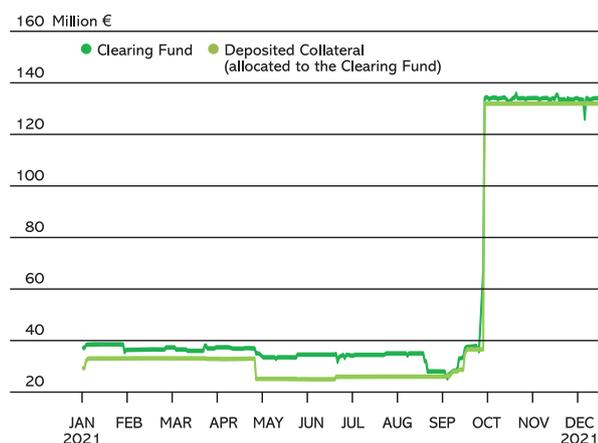
1. The situation in which the collateral allocated to initial margin is lower than the respective margin (21 December) results from the fact that the positive mark-to-market of general Clearing Members clients with receivables is not considered in the invoicing margin at the end of the day and that the collateral deposited is allocated, in the first instance, to the other margins (variation margin, premium margin, settlement margin, invoicing margin, and physical delivery margin).

**FIGURE 12**  
CHANGES IN THE TOTAL INITIAL MARGIN AND DEPOSITED COLLATERAL ALLOCATED TO THIS MARGIN IN 2021



In 2021, the development of the Clearing Fund and the collateral constituted by members with OMIClear to hedge this liability were as follows:

**FIGURE 13**  
DEVELOPMENT OF THE CLEARING FUND AND OF THE DEPOSITED COLLATERAL ALLOCATED TO THE CLEARING FUND IN 2021



Regarding the Daily Trading Limit (DTL), which roughly indicates the value of collateral available to be used in additional margins of a given clearing member, there were 47<sup>2</sup> situations (in a total of 2,319) where this was negative at the end of the clearing session.

2. For the purpose of the DTL calculation, if the positive mark-to-market of the General Clearing Members' clients with receivables were considered, then there would be 37 such cases.

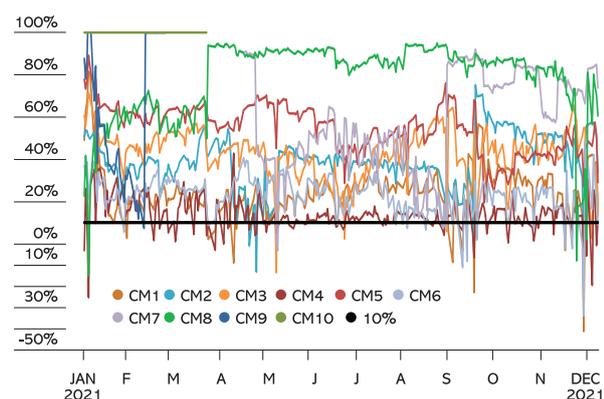
For risk control purposes, OMIClear daily monitors, for each clearing member, the percentage (%) represented by the DTL in relation to the respective guarantee deposited. Whenever this percentage falls below 10%, OMIClear contacts the entity in question and advises it to increase the guarantees deposited.

Figure 14 shows the DTL values for all OMIClear's clearing members in the period under analysis, excluding one clearing member that only secured guarantees to hedge the liability to the clearing fund.

Since 14 July 2014, as a result of the change of OMIClear's rules, general clearing members (GCM) began to distinguish between their own guarantees and those of their clients through two distinct guarantee accounts – own guarantee account and clients' guarantee account. Furthermore, for liabilities used to calculate the DTL, a separation was also introduced between the GCM's own liabilities and those of its clients. Given that (i) these four GCM's own liabilities only correspond to their contribution for the clearing fund, which is stable throughout the month, and (ii) OMIClear recommends a DTL ratio over the guarantee deposited of more than 10% only for members who present liabilities arising from open position, the results presented below only take into consideration the amounts referring to the accounts of these GCM's clients, and the own accounts of the remaining direct clearing members.

The development of the DTL/collateral deposited ratio (%) in 2021, per clearing member, is described as follows:

**FIGURE 14**  
CHANGES IN THE DTL/DEPOSITED COLLATERAL RATIO (%) IN 2021





Throughout 2021, eight clearing members achieved, 125<sup>3</sup> times, a DTL/deposited collateral ratio lower than the minimum limit of 10% recommended by OMIClear. In twenty-nine (29) of such cases the ratio was negative, the majority of them related to mark-to-market losses recorded by the members during the session and, in the remaining cases, to the increase of the initial margin requirements associated to the increase in volatility that occurred during the year or to the increase of the initial margin resulting from the opening of new positions. In most situations the said ratio returned to above 10% after the daily financial settlement of the following clearing day, the others having been regularised through reinforcement of collateral.

In addition to the above situations, the clearing member that only had collateral to hedge the clearing fund liability (CM11) showed a DTL lower than 0% at the end of 18 clearing sessions. These situations resulted from losses recorded during the session by some of its clients with segregated guarantee clearing accounts, the situation being regularised after the daily financial settlement of the following clearing day.

The distribution of assets put up as collateral to hedge open positions with OMIClear (electricity and natural gas derivatives contracts) was as follows:

**TABLE 5**  
ASSETS DELIVERED AS COLLATERAL (31 DECEMBER 2021)

Type of asset	Amount (€)
Cash	1 271 725 450
Securities	—
<b>TOTAL</b>	<b>1 271 725 450</b>

<sup>3</sup>. CM4 and CM6 were responsible for 70% of these situations. However, if for the purpose of the DTL calculation the mark-to-market of the General Clearing Members' clients with receivables were considered, then there would be 71 such cases.

## 4.2 Legal and operational risk

Operational risk is defined by the potential losses arising from the following situations:

- Faults in the protection and processing of information produced;
- Non-compliance with applicable laws and regulations;
- Inadequacy of sufficient and quality human resources;
- Errors or non-compliance by external service providers;
- Faults in procedures, operation analysis, processing or settlement;
- Unserviceability of the physical infrastructure;
- Fraud.

The risk strategy aims at minimising operational risks by increasing the automation of operations combined with strict and thorough testing procedures. The risk arising from the use of external service providers is minimised by assessing service quality before procurement.

OMIClear implemented back-ups for critical transactions, which are regularly tested.

Internal procedures of relevant processes are properly documented. Control sheets are available for some of these procedures with the purpose of reducing errors or omissions.

Legal and non-compliance risks are minimised through the strict observation and compliance of the applicable laws together with the use of predefined contractual templates and forms.

### 4.3 Liquidity risk

Liquidity risk may arise from the daily settlement process or from the default of a clearing member.

The business management strategy takes into consideration the fact that settlements arising from daily transactions do not generate materially relevant time differences. In this sense, OMI-Clear's risk management strategy aims to avoid time differences between assets and liabilities through a suitable policy of liquidity surplus allocation. The financing needs to settle current expenses (including the disbursement of results) are planned and covered in the context of medium term liquidity planning.

The risk of default of a clearing member and the potential impact that this situation may have on liquidity are controlled through stringent stipulations of convertibility of guarantees into cash, through haircuts applied to guarantees received, and limiting the risk of concentration of the guarantees received. Considering the negative interest rates in the euro area economy, since October 2019 OMI-Clear opted to deposit a significant part of cash collateral in a current account with Banco de Portugal, so that this amount is always available to meet the liquidity needs arising from the simultaneous default of the two clearing members with the most substantial potential losses. As long as this situation persists, credit lines negotiated with commercial banks to meet possible liquidity needs are not necessary.

### 4.4 Market risk

Since the clearing members' positions in electricity and futures derivatives contracts are constantly evaluated at market values (via mark-to-market or variation margin), they do not present this type of risk.

As regards Portuguese public debt securities acquired under repo operations carried out to collateralise at least 95% of the cash held by OMI-Clear, it should be noted that between 1 January and 31 December OMI-Clear did not

carry out this type of operation, having opted to deposit at least 95% of the cash, either that corresponding to its own funds or that delivered by the members as collateral, in its account with Banco de Portugal.

### 4.5 Commercial risk

The commercial risk of OMI-Clear, whose core business consists of providing clearing and settlement services of energy derivative financial products in the Iberian Peninsula, France and in Germany, and natural gas in Spain, is associated to the volumes cleared in these contacts.

As a central counterpart and as part of its activity, it is also highly exposed to the direct competition from other central counterparts.

The income from commissions is closely linked to the volume of transactions registered with OMI-Clear. Consequently, commercial risk arises from the income's dependence on a limited number of products, in connection with the potential drop in volumes at the same time that fixed costs remain unchanged. Since commercial risk is mostly centered on the reduction of profits through possible variations in the volume of registered transactions, in a scenario of decreased volumes it will be more difficult to offset this situation by adjusting the fixed costs within a reasonable period of time.

With this in mind, OMI-Clear's strategy involves monitoring this risk by constantly overseeing the development of income and ensuring that costs are in line with the budget.

Therefore, in 2019 and in the first semester of 2020 OMI-Clear added a series of new products to its portfolio in both the energy and natural gas markets. The introduction of these new products allowed OMI-Clear to diversify the volumes offset in 2021 by 26% (7% in the electricity market and 69% in natural gas).

OMI-Clear aims to consistently reduce its exposure to the risks inherent to its economic activity by adopting management measures specifically aimed at strengthening the client base, both in



terms of numbers and of geographical spread, and at increasing the number of services provided to market participants.

## 4.6 Summary of OMIclear's risk situation

The authorisation granted to OMIclear to operate as a central counterpart is conditional upon maintaining a minimum amount of capital. The capital, including retained earnings and reserves, must at all times be proportional to the risk arising from its activities, to ensure that the company is adequately capitalised against credit, counterpart, market, operational, legal, and commercial risks that are not already hedged by specific financial resources, and has

the capacity to settle or restructure its activities if necessary.

Potential losses arising from the default of clearing members are hedged by OMIclear's margin system.

OMIclear's equity, minus the reserves intended to address default situations, which as at 31 December 2021 amounted to €9,370,846, is about 2.4 times the capital needed to deal with risks assumed, calculated in accordance with the rules laid down in Commission Delegated Regulation (EU) No 152/2013.

The overall assessment of 2021 does not show any threat to business continuity either as a result of individual risks or of aggregated risks. The Board of Directors does not foresee major changes to the company's risk profile in the course of 2022.

# 05

## INFORMATION SYSTEMS



# INFORMATION SYSTEMS

In summary, Information Systems activity involved the following functional areas:

## 1. Support and maintenance of applications and internal and external services:

- Specify and test new technical functionalities or change of existing functionalities;
- Develop applications or mechanisms to assist the daily operational tasks of the Clearing Department.
- Coordinate the implementation of changes in productive or non-productive environments;
- Support to and communication with agents to notify changes or solve problems;
- First-line support in the resolution of technical problems (helpdesk service);
- Analysis and adjustment to regulatory changes.

## 2. Management of external supplier relations:

- Support the communication between suppliers and operational departments.
- Maintain the service support infrastructure;
- Manage service levels.

## 3. Maintain business continuity and the information security management system:

- Document verification and updating;
- Participate in security committee and business continuity meetings;
- Periodically test systems and infrastructure;
- Annual compliance assessment activities:
  - ↗ External audit of Information Systems in accordance with Article 9 of EMIR;
  - ↗ SWIFT: Independent audit on the Customer Security Programme;
  - ↗ Banco de Portugal: TARGET2 Self-Certification;

## 4. Cybersecurity

- Participation in the Cybersecurity Committee meetings of the OMI group aims at defining and monitoring the development of cybersecurity activities, and to discuss ideas and solutions across the group;
- Analysis and mitigation of vulnerabilities identified by the National Cybersecurity Centre and by the SIEM/SOC security service provider;

Note also the most relevant technical works carried out in 2021, or to which the Information Systems gave their input:

- Migration of locally hosted SWIFT applications and components to the SWIFT Alliance Cloud service, which translated into a significant reduction in effort and operational risk, while also ensuring connectivity to the new ESMIG interface for accessing Eurosystem settlement and payment services.
  - Related to the previous point, a secure area was implemented for local hosting of the LIS component that allows the integration of applications with Alliance Cloud, as well as the hosting of physical tokens for accessing SWIFT services. An application with multi-factor authentication was also developed for integration with LIS and sending the daily financial settlement file to Target2.
  - Integration of the National Natural Gas System in the Integrated Guarantees Manager, which required the development of a more efficient and resilient version of the information repository service, in order to better respond to a significant increase in the volume of market operators and agents to be aggregated in the platform;
  - Specification and prototype of the integration service within the Weather project in order to define and agree on the technical communication interfaces;
  - Technical support and adaptation of the report extraction service for better integration with the new clearing member Renta4;
  - Continued development of the process on the internal platform for automating calculation of the risk parameters applied by OMIClear, in compliance with the CMVM recommendations on reducing operational risk.
- As part of the initiatives defined for business continuity and information security, the following activities of the department in the past year should be highlighted:
- Entry into operation of Deloitte's Cyber-SOC service, which keeps watch over the group companies' external perimeter, in particular the Internet, to identify risks and direct or indirect threats;
  - Acquisition and implementation of a PAM platform for managing, monitoring and auditing accesses to server management and administration.
  - Hiring and executing independent audit on vulnerabilities and applications and infrastructure, the second part of which will take place in the third quarter of 2022.
  - Relocation of redundant servers to the secondary data centre, aiming at ensuring faster and independent recovery of OMIClear's activities in a disaster recovery scenario.



# 06

## ORGANISATION

## 6.1 Shareholders

OMIP – Pólo Português, S.G.M.R., S.A. (50%)

OMI – Polo Español, S.A. (50%)

## 6.2 Governing Bodies (3-year period 2021-2023)

### Board of the Shareholders' Meeting<sup>4</sup>

Manuela Lopes dos Santos.....Chair

### Board of Directors

Carmen Becerril Martinez .....Chair

Martim Bleck de Vasconcelos e Sá<sup>4</sup> ..... Vice-Chair

António Erias Rey.....Voting member

José Manuel Amado da Silva.....Voting member

Gonzalo Solana González .....Voting member

Monica Guardado Rodriguez .....Voting member

### Audit and Compliance Committee

Gonzalo Solana González .....Chair

José Manuel Amado da Silva..... Vice-Chair

### Appointment, Remunerations and Sustainability Committee

Antonio Erias Rey.....Chair

Gonzalo Solana González .....Voting member

José Manuel Amado da Silva.....Voting member

### Supervisory Board/Statutory Auditor

Ernest & Young Audit & Asociados – SROC, S.A. (SROC) .....Executive

Pedro Miguel Borges Marques (ROC)..... Alternate

4. The members elected for the 2018-2020 term remained in office during the 2021 financial year.

5. Elected on 22 December 2021.



## 6.3 6.1 Risk Committee

Pursuant to Article 28 of Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 (EMIR), OMIClear established a Risk Committee formed by the two independent members of the Board of Directors, three representatives of its clearing members, and two representatives of its clients.

In 2021, the Risk Committee comprised the following members:

José Manuel Amado da Silva (Independente) .....	Chair
Gonzalo Solana González (Independente) .....	Vice-Chair
Juan Jesús Moya Iglesias* (Endesa Generación, S.A.) .....	Voting member
Julián Calvo Moya (Iberdrola Generación España, S.A.U.) .....	Voting member
Luis Sánchez Pintado (Banco Santander, S.A.) .....	Voting member
Joaquín Ubero Almunia (Axpó Iberia, S.L.U.) .....	Voting member
Juan Carlos Durán Iglesias** (Unión Fenosa Gás, S.A.) .....	Voting member

All members have solid expertise and knowledge of OMIClear's areas of activity. The functions of the Risk Committee are set out in Article 28 of the EMIR and involve advising the Board of Directors on matters related to the different types of risks to which the central counterpart is exposed, and to its risk management structure, organisation and procedures. The Risk Committee met three times in 2021 and gave its opinion on a broad number of issues, namely the margin system, the method used to test market risks, new products, the credit risk policy and the liquidity plan. With the exception of the two independent members, whose term of office is the same as that of the members of the Board of Directors, the term of office of the Risk Committee members ends in June 2022.

## 6.4. Staff

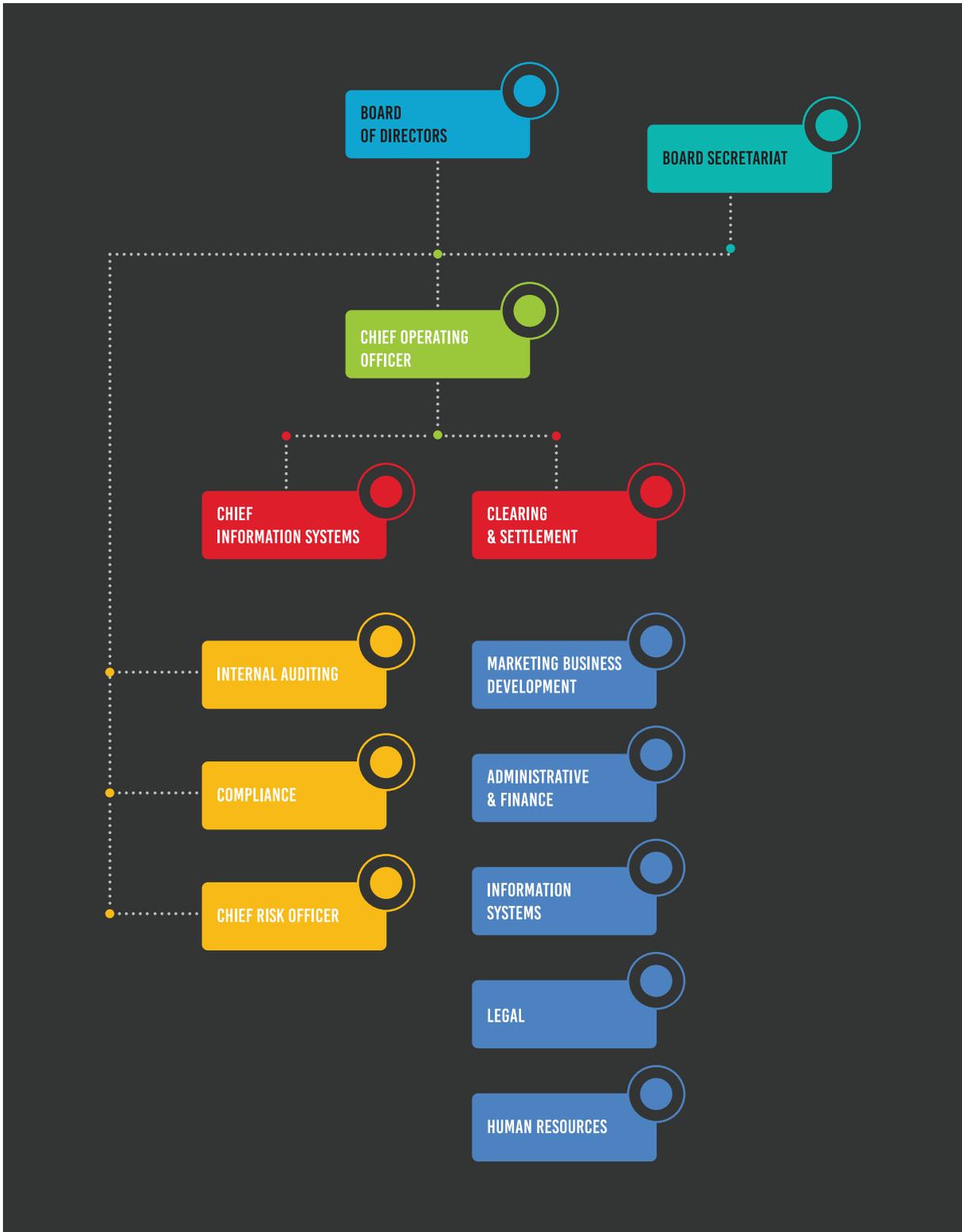
In terms of organisational structure, OMIClear has a specific operational area dedicated to the core management of the central counterpart, including all the inherent functions and, in particular, risk management.

OMIClear benefits from a set of services in some support areas, which, according to the limits and the conditions set out in the applicable legislation, are contracted out to other group companies.

\* Took up office on 17 March 2021 to replace Cristóbal Lovera (Endesa Generación, S.A.).

\*\* Elected on the nomination of Unión Fenosa Gás, S.A., but ended his employment contract with this entity in May 2021.

FIGURE 15  
ORGANISATIONAL CHART



As at 31 December 2021, OMIclear had, in addition to the six members of the Board of Directors, 9 staff, six men and four women, four of whom working exclusively in clearing and settlement.



# 07

## OUTLOOK FOR 2022

The outlook for 2022 is naturally affected by the current situation (as at the date of this report), characterised by a very complicated geopolitical situation that has worsened in recent months, and with energy markets at very high price and volatility levels since at least the last quarter of 20.

The current situation may have relevant effects from the perspective of the regulatory measures that may be taken by the European Commission and by the Iberian governments and energy regulators, and in the natural gas and electricity markets. Furthermore, and especially in the natural gas sector, in the coming months we may see the reorganisation of natural gas producing countries and of the structure of the natural gas supply portfolio in the Iberian Peninsula and Europe. The even greater relevance of Liquefied Natural Gas (LNG) supposes that a strong relationship will be maintained between gas import prices between the Atlantic basin countries and those of the Pacific basin. Both the current situation of natural gas storage levels in Europe and Asia and the need to achieve high levels of storage in early winter 2022-2023 point to continued high prices and likely volatility, especially if the geopolitical situation remains tense. In terms of the electricity market, the need to continue with the renewable penetration process within the framework of the European Union's "Fit for 55" package is clear.

In this context, electricity and natural gas price risk management tools continue to be relevant for the different players. Therefore, during 2022 OMIClear will continue to work with other OMI Group companies, in particular OMIP SGMR, and with MIBGAS to maintain a service level and cooperation with the different market players in the current volatile and uncertain environment.

More specifically, in 2022 will work together with OMIP to further expand our services portfolio, for example, through financial PVB-ES Natural Gas Futures, which allow the management of electricity and natural gas differences through *Financial Spark Spread*. In the same vein, the plan is to develop the PVB-TTF Natural Gas spread with financial settlement. Furthermore, in coordination with MIBGAS, in 2022 the plan is to launch the natural gas product with physical delivery in the PVB and indexed to the TTF price. In the framework of the cooperation with MIBGAS, in 2022 we expect to launch the clearing service for natural gas contracts with delivery in the Spanish Virtual Balance Tank (TVB), as well as in the Portuguese Virtual Trading Point (VTP).

In the electricity segment, and working together with OMIP, OMIClear will thoroughly monitor developments as regards long-term hedging, where OMIP and OMIClear already offer hedging services for contracts of up to 10 years, within the framework of the so-called PPAs.

OMIClear is still analysing the possibility of expanding its clearing services in the scope of weather risks in order to facilitate volume hedging tools and not only price hedging tools.

For all these reasons, and despite being aware of the current uncertain and complex environment, OMIClear, in cooperation with OMI group companies, MIBGAS and the different agents (clearing members and registration agents), considers that 2022 could be the year for delivering some of the initiatives which it has worked on for some time and to satisfactorily expand the portfolio of registration, clearing and settlement services offered by OMIClear on energy markets.



# 08

## PROPOSED APPROPRIATION OF PROFITS

The Board of Directors, under the terms and for the purposes of Article 25 of the Company Statutes, propose that the net results for 2021, in the amount of €540 545 (five hundred and forty thousand, five hundred and forty-five euros), be appropriated as follows:

To legal reserves .....	€54 054,50
To retained earnings.....	€386 490,50
To distribution of dividends.....	€100 000,00

Lisboa, 17 March 2022

## **The Board of Directors**

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**Carmen Becerril Martínez**

**Antonio Erias Rey**

**Gonzalo Solana González**

**José Manuel Amado da Silva**

**Mónica Guardado Rodríguez**



# 09

## FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2021 AND 2020



## Balance sheet as at 31 December 2021 and 2010

	Note	Currency: Euros	
		31-12-2021	31-12-2020
<b>Assets</b>			
<b>Non-current</b>			
Property, plant and equipment	7	7 142	13 793
Intangible assets	8	196 077	144 894
Other financial investments	9	12 614	11 118
Deferred tax assets	10	41 970	115 153
Other accounts receivable	11	122 170	218 744
		<b>379 973</b>	<b>503 702</b>
<b>Current</b>			
Clients	12	169 724	168 490
State and other public entities	13	847 548	581 863
Other accounts receivable	11	347 623	341 368
Deferrals	14	46 710	20 467
Other financial assets	15	1 271 725 450	209 336 113
Cash and bank deposits	5	10 851 955	11 035 211
		<b>1 283 989 010</b>	<b>221 483 512</b>
<b>Total assets</b>		<b>1 284 368 983</b>	<b>221 987 215</b>
<b>Equity capital</b>			
Paid-up capital	16	7 500 000	7 500 000
Supplementary payments	17	525 835	525 835
Legal reserves	18	257 864	237 407
SIG.B reserve	18	1 875 000	1 875 000
Other reserves	18	66 895	66 895
Retained earnings		546 601	462 485
		<b>10 772 195</b>	<b>10 667 622</b>
Net result for the period		540 545	204 573
<b>Total equity capital</b>		<b>11 312 740</b>	<b>10 872 195</b>
<b>Liabilities</b>			
<b>Non-current</b>			
Provisions	19	70 000	35 000
Deferrals	14	122 170	218 744
		<b>192 170</b>	<b>253 744</b>
<b>Current</b>			
Suppliers	20	72 728	69 239
State and other public entities	13	157 322	110 658
Other accounts payable	21	816 771	1 257 029
Deferrals	14	92 039	87 504
Other financial liabilities	15	1 271 725 214	209 336 845
		<b>1 272 864 074</b>	<b>210 861 275</b>
<b>Other liabilities</b>		<b>1 273 056 244</b>	<b>211 115 019</b>
<b>Total equity capital and liabilities</b>		<b>1 284 368 983</b>	<b>221 987 215</b>

Notes on pages 40 to 68 form an integral part of the above financial statements.

## Statement of profit and loss by nature as at 31 December 2021 and 2010

	Note	Currency: Euros	
		31-12-2021	31-12-2020
Sales and services rendered	22	3 401 544	3 173 737
Supplies and external services	23	(843 177)	(664 811)
Staff costs	24	(1 201 151)	(1 178 839)
Impairment losses	12	(17 992)	(24 638)
Provisions	19	(35 000)	(35 000)
Other income	25	619 011	350 233
Other expenses	26	(1 105 016)	(1 131 935)
<b>Results before depreciation, financial expenses and taxes</b>		<b>818 219</b>	<b>488 747</b>
(Expenses)/reversal depreciation and amortisation	7 and 8	(60 394)	(164 475)
<b>Operational result (before financial expenses and taxes)</b>		<b>757 825</b>	<b>324 272</b>
Interest and similar income obtained	27	-	2 268
Interest and similar costs incurred	27	(36 065)	(56 058)
<b>Pre-tax results</b>		<b>721 760</b>	<b>270 482</b>
Income tax for the period	28	(181 215)	(65 909)
<b>Net result for the period</b>		<b>540 545</b>	<b>204 573</b>
Basic earnings per share:		0,72	0,27

Notes on pages 43 to 69 form an integral part of the above financial statements.

## Statement of changes in equity in 2021 and 2020

	Note	Paid-up capital	Supplementary payments	Legal reserves	SIG.B reserve	Other reserves	Retained earnings	Net result for the period	Total
<b>On 1 January 2020</b>		7 500 000 -	525 835	231 858	1 875 000	66 895	412 537	55 498	10 667 623
<b>Changes in the period</b>									
Other changes recognised in equity capital		-	-	5 550	-	-	49 948	(55 498)	-
		-	-	<b>5 550</b>	-	-	<b>49 948</b>	<b>(55 498)</b>	-
Net result for the period		-	-	-	-	-	-	204 573	204 573
<b>Integral result</b>		-	-	-	-	-	-	<b>204 573</b>	<b>204 573</b>
<b>Operations with equity holders in the period</b>									
Distributions		-	-	-	-	-	-	-	-
Other changes		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
<b>On 31 December 2020</b>		<b>7 500 000 -</b>	<b>525 835</b>	<b>237 407</b>	<b>1 875 000</b>	<b>66 895</b>	<b>462 485</b>	<b>204 573</b>	<b>10 872 195</b>
<b>Changes in the period</b>									
Other changes recognised in equity capital	18	-	-	20 457	-	-	184 116	(204 573)	-
		-	-	<b>20 457</b>	-	-	<b>184 116</b>	<b>(204 573)</b>	-
Net result for the period		-	-	-	-	-	-	540 545	540 545
<b>Integral result</b>		-	-	-	-	-	-	<b>540 545</b>	<b>540 545</b>
<b>Operations with equity holders in the period</b>									
Distributions	29	-	-	-	-	-	(100 000)	-	(100 000)
Other changes		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
<b>On 31 December 2021</b>		<b>7 500 000</b>	<b>525 835</b>	<b>257 864</b>	<b>1 875 000</b>	<b>66 895</b>	<b>546 601</b>	<b>540 545</b>	<b>11 312 740</b>

Notes on pages 40 to 68 form an integral part of the above financial statements.



## Statement of cash flow as at 31 December 2021 and 2010

	Note	Currency: Euros	
		31-12-2021	31-12-2020
<b>Cash flow of operating activities</b>			
Receivables from clients		1 619 846 362	70 780 622
Payments to suppliers		(1 620 275 677)	(68 610 418)
Payments to staff		(1 311 820)	(1 166 502)
<b>Cash flow generated by operations</b>		<b>(1 741 136)</b>	<b>1 003 703</b>
(Payment) / refund of income tax		(64 741)	(23 419)
Other (payments) / receipts		1 305 838	(1 152 367)
<b>Cash flow of operating activities</b>		<b>(500 038)</b>	<b>(172 085)</b>
<b>Cash flow of investment activities</b>			
Payments regarding:			
Property, plant and equipment		-	(4 120)
Intangible fixed assets		-	(193 596)
Receipts from:			
Interest and similar income obtained		416 910	203 644
<b>Cash flow of investment activities</b>		<b>416 910</b>	<b>5 928</b>
<b>Cash flow of financial activities</b>			
Payments regarding:			
Interest and similar expenses		(128)	(144)
Dividends		(100 000)	-
<b>Cash flow of financial activities</b>		<b>(100 128)</b>	<b>(144)</b>
<b>Changes in cash flow and its equivalents</b>		<b>(183 256)</b>	<b>(166 301)</b>
Cash and cash equivalents at the start of the period	5	11 035 211	11 201 512
Cash and cash equivalents at the end of the period	5	<b>10 851 955</b>	<b>11 035 211</b>

As at 31 December 2021 and 2020, the “Receivables from clients” and “Payments to suppliers” include “Deposits of Guarantees to be Paid” and “Deposits of Guarantees to be Received”.

Reinforcement of collateral amounted to €1 491 915 021.97 and release of collateral amounted to €423 379 922.39. As the former was greater than the latter, the balance is positive by €1 068 535 099.58.

Notes on pages 40 to 68 form an integral part of the above financial statements.

## ANNEX TO THE FINANCIAL STATEMENTS

### 1 Description of the company and reporting period

OMIClear – C.C., S.A., whose previous name was OMIClear – Sociedade de Compensação de Mercados de Energia, S.G.C.C.C.C., S.A, with its registered office at Avenida Casal Ribeiro, n.º 14 – 8.º piso, in Lisbon, was incorporated under Article 488(1) of the *Código das Sociedades Comerciais* (Commercial Companies Code) and had its public deed signed on 6 April 2004.

The company began its activity on 7 April 2004, its purpose being the management of a clearing house and of a settlement system, and playing the role of central counterpart in spot and futures market operations, namely futures, forwards, swaps and options, whose underlying assets are electricity, other real or notional energy-related commodities or equivalents, and electricity indices of energy-based products or other equivalent assets, regardless of whether settlement is by delivery or merely financial.

The company may also engage in activities that are subsidiary or accessory to its main purpose, provided that these do not constitute a financial brokerage activity, namely:

- (i) Managing book-entry accounts systems and calculation of net positions;
- (ii) Providing members of the systems under its management with the services required for such members to operate in markets or systems managed by a foreign similar entity in another country;
- (iii) Providing consultancy services related to the systems under its management;
- (iv) Participation in research studies, preparation, distribution and commercialisation of market-related information;
- (v) Development, management and marketing of computer hardware and software, as well as data transmission networks for the contracting and transmission of orders and/or data.

The company may also participate in other companies with a similar or complementary corporate purpose, even if governed by special laws, as well as in complementary groups of companies.

OMIClear has a share capital of €7 500 000 represented by 750 000 shares each with a nominal value of €10. As at 31 December 2020, such shares were 50 % held by OMIP - Pólo Português, S.G.M.R., S.A., and 50 % by the lawfully registered Spanish company OMI - Polo Español, S.A. (OMIE).

The entry of OMIE into the shareholding structure in September 2013 was possible after it agreed to a capital increase, fully paid up by this company, in the amount of €6 200 000, of which €3 000 000 were allocated to share capital and the remaining €3 200 000 to share premiums.

The share premiums were later used as follows: €1 500 000 in a capital increase and the remaining €1 700 000 to set up a reserve (SIG B) provided for in Article 35 of the Commission Delegated Regulation (EU) No 153/2013 of 19 December 2012, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council concerning the technical standards for the regulation applicable to central counterpart requirements.

On 22 November 2010, OMIClear opened its Spanish branch with tax identification number W0106378C under the name “OMIClear – Sociedade de Compensação de Mercados de Energia de Sociedade Gestora de Câmara de Compensação com assunção de Contraparte Central (SGCCCC), S.A., Sucursal en España”, with registered office at Calle Ribera de Loira, 46, 28046 Madrid, Spain.



The activities described below constitute the main business objectives of the Spanish branch, which are partially similar to the corporate objectives of its parent company:

- (i) The management of a clearing house and a settlement system, as well as playing the role of central counterpart in spot and futures market operations, namely futures, forwards, swaps and options, whose underlying assets are electricity, other real or notional energy-related commodities or equivalents, and electricity indices of energy-based products or other equivalent assets, regardless of whether settlement is by delivery or merely financial;
- (ii) Engage in activities that are subsidiary or accessory to its main objective, provided that these are not a financial brokerage activity, in particular: a) managing book-entry account systems and calculation of net positions; b) providing members of the systems under its management with the services required for such members to operate in markets or systems managed by a foreign similar entity in another country, c) providing consultancy services related to the systems under its management; d) participation in research studies, preparation, distribution and commercialisation of market-related information, and e) development, management and marketing of computer hardware and software, as well as data transmission networks for the contracting and transmission of orders and/or data;
- (iii) The branch may also participate in other companies with a similar or complementary corporate purpose, even if governed by special laws, as well as in complementary groups of companies;
- (iv) The branch may grant loans and other forms of lending and provide supplementary benefits to subsidiary companies.

The initial cash assets of the branch totalled €5,000, which were transferred by OMIClear to a bank account opened in the name of the branch at a credit institution domiciled in Spain. The branch may exist for an indefinite period of time, but may not go beyond the duration of OMIClear.

As of 16 October 2019, OMIClear offers an integrated REMIT reporting service that covers the different reporting obligations. In particular, it offers the following three REMIT reporting services:

- (i) Reporting of orders cancelled and not cancelled in the daily and intraday Iberian market managed by OMIE.
- (ii) Reporting of orders cancelled and not cancelled in the Iberian Futures market managed by OMIP, SGMR.
- (iii) Reporting of non-standard electricity and natural gas contracts and of fundamental data

In order to offer this integrated REMIT reporting service, OMIClear has set up an ACER *Registered Reporting Mechanism* (RRM) called OMI RRM.

This new RRM (OMI RRM) builds on both the previous experience of the two RRM's belonging to the previously constituted group (RRM OMIE and RRM OMIP) and on the vast experience and resources of OMIE and OMIP as organised regulated markets.

These financial statements were approved by the Board of Directors on 17 March 2021 and are subject to the approval of the shareholders. In the opinion of the Board, these financial statements reflect a true and fair view of the operations carried out by OMIClear, as well as its financial position, performance and cash flows.

## 2 Accounting standards for financial reporting

### 2.1. Basis of preparation

These financial statements were prepared in accordance with the Portuguese Accounting and Financial Reporting Standards (NCRF – *Norma Contabilística de Relato Financeiro*), issued and in force or issued and adopted as at 31 December 2021.

The preparation of financial statements in accordance with the SNC (Accounting Standardisation System) calls for the use of estimates, assumptions and critical judgments when determining the accounting policies to be adopted by OMIClear, with a significant impact on the accounting value of assets and liabilities, and on income and expenses for the reporting period.

Although these estimates are based on the Board's best knowledge and expectations of current and future events and activities, the current and future results may differ from these estimates. Note 4.20 presents the areas involving greater judgement calls and complexity, or the areas in which the assumptions and estimates are relevant to the financial statements.

### 2.2. Derogation to the SNC provisions (Accounting Standardisation System)

During the period covered by these financial statements there were no exceptional cases directly requiring the derogation to any SNC provision.

### 2.3. Comparability of financial statements

All the information in these financial statements is comparable to that of the previous year.

## 4 Significant accounting policies

The significant accounting policies used to prepare the financial statements are described below. Unless otherwise stated, these policies have consistently been applied to all topics presented.

### 4.1. Currency translation

#### (ii) FUNCTIONAL AND PRESENTATION CURRENCY

Unless otherwise stated, the financial statements of OMIClear and the notes to this annex are presented in EUR.

#### (iii) TRANSACTIONS AND BALANCES

Transactions made in a currency other than EUR are translated into the functional currency at the exchange rates on the dates of the transactions. Exchange gains or losses arising from the payment/receipt of transactions and of the translation by the currency rate at the balance sheet date of the cash assets and liabilities denominated in a foreign currency are recorded in the statement of profit and loss, under Interest and similar income obtained and Interest and similar expenses incurred, if related to loans or Other income and gains or Other expenses and losses, for all other balances/transactions.



(iii) EXCHANGE RATES USED

Foreign currency exchange rates used in the translation of balances denominated in foreign currency are the following:

Currency	2021	2020
USD	1.1326	1.2271
GBP	0.8403	0.8990

#### 4.2. Property, plant and equipment

Property, plant and equipment are valued at cost minus accumulated depreciation and accumulated impairment losses. This cost includes the estimated cost at the date of transition to the Portuguese Accounting and Financial Reporting Standards (NCRF), and the acquisition costs for assets acquired thereafter.

The acquisition cost includes the purchase price of the asset, costs directly attributable to its acquisition and those incurred in preparing the asset for its entry into service.

Subsequent costs incurred with renovations and major repairs that increase the useful life of assets are recognised in the cost of the asset.

Current cost of repairs and maintenance services are recorded as expenses in the period in which they occurred.

Property, plant and equipment are depreciated systematically for the duration of their estimated lifespan according to the straight line method.

	Years
Vehicles	Between 4 and 6 years
Office equipment	Between 3 and 10 years
Other property, plant and equipment	Between 3 and 10 years

The lifespan of each asset is reviewed at the end of every year so as to ensure that the depreciation is in agreement with its consumption patterns. Changes in lifespan are treated as changes to the accounting estimate and are applied prospectively.

Gains or losses resulting from the disposal of assets are calculated as the difference between the net realizable value and the book value of the asset and are recorded in the statement of profit and loss.

#### 4.3. Intangible fixed assets

Intangible fixed assets are stated and measured at purchase price, including costs directly attributable to their acquisition and those incurred in preparing the assets for their entry into service.

The company recognises as intangible assets the amounts spent with software purchased from third parties, which are valued after initial recognition according to the cost model, as provided for by NCRF 6 – Intangible assets, which defines that an intangible asset should be carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Intangible fixed assets with a defined lifespan are amortised on a systematic basis from the date on which they are available for use, over their estimated lifespan. The software is being amortised over a period of 4.5 years.

#### 4.4. Impairment of assets

Assets with a finite lifespan are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Whenever the determined recoverable amount is less than the book value of assets, the company will assess whether the loss situation is permanent or definite, and, if so, it will record the impairment loss. Where the loss is not considered permanent and definite, the grounds for this decision must be disclosed.

The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. To determine whether or not there is impairment, the assets are allocated to the lowest level for which there are separate identifiable cash flows (cash generating units).

Non-financial assets, other than goodwill, for which impairment losses were recorded, are calculated at each reporting date on the possible reversal of impairment losses.

When impairment is recorded or reversed, asset amortisation and depreciation is recalculated prospectively based on the recoverable amount.

#### 4.5. Financial assets

The Board of Directors determines the classification of financial assets on the date of initial record, according to the purpose of their purchase, and reviews this classification at each reporting date.

Financial assets can be classified as:

- a) Financial assets at fair value through profit or loss – including non-derivative financial assets held for trading regarding short-term investments and assets at fair value through profit or loss on the date on which they were first recognised;
- b) Loans granted and accounts receivable – including non-derivative financial assets with fixed or determinable payments not quoted in an active market;
- c) Investments held to maturity – including non-derivative financial assets with fixed or determinable payments and fixed maturities for which the entity has the intention and capacity to hold until maturity;
- d) Financial assets available for sale – including available-for-sale non-derivative financial assets that are designated as available for sale on initial recognition or that do not fit the above categories. They are recorded as non-current assets except if there is intention to sell them within 12 months after the balance sheet date.

Financial assets at fair value through profit or loss are initially recorded at fair value, with transaction costs recorded in profit and loss. These assets are subsequently measured at fair value, and the gains and losses resulting from the change in fair value are posted in profit or loss for the period in which they arise under the heading “Net financial costs”, which also includes interest and dividends received.

Available-for-sale financial assets are initially recorded at fair value plus transaction costs. In the subsequent periods, they are measured at fair value and the fair value variation is posted in fair value reserve in equity. Interest and dividends from available-for-sale financial assets are recorded in profit or loss in the period in which they arise under the heading “Other operating gains”, where the right to receive it is established.

Accounts receivable are classified on the balance sheet as “Other accounts receivable”. A provision for the impairment of accounts receivable is established when there is objective evidence that the company will not be able to collect all amounts due in accordance with the original terms of the transactions that gave rise to them.



#### 4.6. Clients and Other accounts receivable

The items “Clients” and “Other accounts receivable” constitute rights receivable for the sale of assets or services in the normal course of OMIClear’s business, and are initially recorded at fair value and subsequently measured at amortised cost, less impairment adjustments (where applicable). If there is a formal agreement for the deferral of amounts receivable, the fair value is determined in line with the effective interest rate method, which is the rate that exactly discounts estimated future cash payments for the expected repayment date.

Impairment losses on “Clients” and “Other accounts receivable” are recorded when there is objective evidence that they will not be recovered under the initial terms of the transaction. The identified impairment losses are recorded in the statement of profit and loss, under Impairment in accounts receivable, and are subsequently reversed through profit or loss if the impairment indicator ceases to exist.

#### 4.7. Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits, other short-term high liquidity financial investments with original maturities of up to three months, bank guarantees and overdrafts. The latter are presented in the Balance Sheet under current or not current liabilities depending on whether they are short term or medium long term, under the heading “Loans granted”, and are taken into consideration in the preparation of the statements of cash flow, as cash or cash equivalents.

#### 4.8. Share capital

Ordinary shares are registered under equity capital.

Costs directly attributable to the issue of new shares or options are presented in equity as a deduction, net of taxes, to the amount issued.

#### 4.9. Suppliers and Other accounts payable

The items “Suppliers” and “Other accounts payable” constitute an obligation to pay for the acquisition of assets or services and are initially recorded at fair value, and subsequently measured at amortised cost using the effective interest rate method.

#### 4.10. Financial liabilities

The Board of Directors determines the classification of financial liabilities on the date they are first recorded, in accordance with NCRF 27 – Financial instruments.

Financial liabilities may be recorded / measured

- a) At cost or at amortized cost minus any impairment loss;
- b) At fair value with changes in fair value being recorded in the statement of profit and loss.

OMIClear records and measures at cost or at amortized cost, financial liabilities: (i) that are short-term or have a defined maturity; (ii) whose interest yield may be flat-rated, fixed-rated or variable-rated as indexed to market indices; and (iii) where there is no contractual clause which could alter the liability of refunding the nominal value and the accrued interest payable.

For liabilities recorded at amortized cost, the interest earned in each period is determined according to the effective interest rate method, which is the rate that deducts the estimated future cash payments throughout the expected lifespan of the financial instrument.

Financial liabilities which result from financing obtained, accounts payable (suppliers, other creditors, etc.) and equity capital instruments, as well as any associated derivative contracts not traded on an active market or whose fair value cannot be accurately determined are recorded at cost or amortized cost.

An entity must derecognise a financial liability (or part of a financial liability) only when it is extinguished, that is, when the obligation set up under contract is paid, is cancelled or expires.

#### 4.11. Income tax

The company is subject to corporate income tax (IRC) at a rate of 17 % over the taxable amount up to €15 000, with the 21 % rate applying to the remaining taxable amount. To the corporate income tax thus obtained is added a surcharge applicable to the taxable income, whose rate can vary up to 1.5 %, as well as the autonomous tax on charges, in agreement with the rates stated in Article 88 of the Corporate Income Tax Code. To determine the taxable amount, to which the mentioned tax rate is applied, the amounts not accepted fiscally are added to and subtracted from the accounting result. The difference between the accounting and tax result may be temporary or permanent.

Income tax for the period comprises current taxes and deferred taxes. Taxes on income are recorded in the statement of profit and loss, except if they relate to items directly recorded in equity. The amount of current income tax payable is determined based on total income before tax, adjusted as per tax regulations.

Payments on account and special payments on account were recorded in the company accounts and will be deducted from tax payable.

Deferred tax is recorded using the liability method, which is based on the balance sheet and takes into account temporary differences arising from the difference between the tax bases of assets and liabilities and their carrying values in the financial statements.

Deferred taxes are calculated according to the tax rates in force or officially announced at the balance sheet date, and which are expected to be applicable on the effective date of deferred tax assets, or on the date when the deferred tax liabilities are paid.

Deferred tax assets are recorded to the extent that it is likely that future taxable profits will be available to cover the temporary difference. Deferred tax liabilities are recorded for all temporary taxable differences, except for those relating to: (i) the initial recognition of goodwill; or (ii) the initial recording of assets and liabilities that do not result from a concentration of activities, and that, at the time of transaction, will affect neither the accounting nor the tax results. However, in relation to temporary taxable differences related to investments in subsidiaries, these must not be recorded because: (i) the parent company is able to control the timing for reversal of the temporary difference; and (ii) it is likely that the temporary difference will not be reversed in the near future.

#### 4.12. Provisões, passivos contingentes e ativos contingentes

Provisions are recorded when OMIClear has: (i) a present legal or constructive liability resulting from past events; (ii) for which it is more likely that an outflow of internal funds will not be required to pay that liability; and (iii) the amount can be reasonably estimated. Whenever one of the criteria is not met or the liability is conditional on the occurrence (or non-occurrence) of a future event, OMIClear discloses it as a contingent liability, unless the evaluation of the enforceability of the outflow of funds for the payment thereof is considered remote.



Provisions are measured at the current value of estimated expenses needed to pay the liability using a pre-tax rate that reflects market evaluation for the discount period and for the risk of provisions in question.

Contingent liabilities are not recorded in the financial statements, but are always disclosed when the possibility of an outflow of funds embodying economic benefits is not remote.

Contingent assets are not recorded in the financial statements, but are disclosed when a future inflow of funds is likely to occur.

#### **4.13. Leases**

Leases of property, plant and equipment in relation to which OMIClear substantially holds all the risks and benefits inherent to asset ownership are classified as financial leases. Agreements where the analysis of one or more specific situations of the contract point to that nature are also classified as financial leases. All other leases are recorded as operating leases.

Financial leases are capitalised at the beginning of the lease for the current value of minimum lease payments, each determined at the start of the contract. The resulting debt of a financial lease contract is recorded net of financial charges under the heading "Loans". Financial charges included in the rent and the depreciation of leased assets are recorded in the statement of profit and loss in the period to which they relate.

Property, plant and equipment acquired through financial leases are depreciated over the shorter of the lifespan of the asset and the leasing period when the company has no purchase option at the end of the contract, or for the estimated lifespan of the asset when the company has the intention to acquire the assets at the end of the contract.

In operating leases, rents owed are recorded as a cost in the statement of profit and loss on a straight-line basis over the lease term.

As lessor, OMIClear has leases. In accordance with IAS 17, the asset held under financial lease is recognised in the balance sheet as accounts receivable for an amount equal to the net investment in the lease.

All risks and rewards inherent to the asset are transferred to the lessee by the lessor and, in turn, payments received by the lessee are treated as repayment of principal and financial income to reward the lessor for its investment and services.

#### **4.14. Expenses and income**

Expenses and income are recorded in the period to which they relate, regardless of having been paid or received, in agreement with the principles of accrual accounting periods. The differences between the amounts received and paid and the corresponding income and expenses are recorded as assets or liabilities if they qualify as such.

#### **4.15. Revenue**

Revenue is the fair value of the amount received or receivable for the sale of goods and/or services in the normal course of OMIClear's activity. Revenue is presented net of any real or estimated amounts, or both, for sales returns, commercial discounts, quantity discounts, and pre or cash payments.

These amounts are estimated based on historical information, specific contractual terms, or future expectations regarding the evolution of revenue, which are deducted when the revenue is recorded, by stating the appropriate liabilities. Where there is a formal agreement for the deferral of amounts receivable, the fair

value of the revenue is determined based on the effective interest rate method, which is the rate that exactly discounts estimated future cash payments or receipts for the expected reimbursement period.

Revenue from the sale of products is recorded when: (i) the revenue amount can be reliably estimated; (ii) the economic benefits are likely to flow to OMIClear; and (iii) a significant part of risks and benefits have been transferred to the buyer.

Revenue from services provided is recorded according to the percentage of completion or based on the contract period, when the service provision is not associated with the performance of specific activities, but to the continuing provision of service.

#### 4.16 Novation of transactions

OMIClear acts as central counterparty for all the transactions carried out on the MIBEL derivatives market and traded OTC and submitted to it for registration. OMIClear carries out the necessary procedures for the transactions to be duly cleared and settled, namely:

- (i) Admission of participants in the registration, clearing and settlement of transactions;
- (ii) Support in the registration of transactions and their clearing and settlement;
- (iii) Taking the position of central counterparty in registered transactions;
- (iv) Defining the calculation formula and, consequently, the calculation and management of guarantees to be provided by participants for the registration of transactions;
- (v) Monitoring the risk assumed by the holders of the registered positions.

By taking on the role of central counterparty, OMIClear ensures compliance of both parties' obligations. If a transaction is registered, OMIClear manages the positions resulting therefrom, being the buyer of the seller, and the seller of the buyer.

Derivatives are calculated at fair value at the transaction date, which is zero. Changes in the fair value of derivatives after the transaction date are adjusted daily through deposits, making their fair value again zero. Guarantee deposits received and liabilities to participants are posted in the balance sheet separately (see note 15).

#### 4.17 Restricted deposits

OMIClear receives cash deposits from participants to guarantee that transactions in which it acts as a central counterparty are met. These cash deposits are deposited in distinct bank accounts, albeit held by the company. However, the use of these sums is restricted and can only be used when a participant enters into default.

Restricted deposits are booked as assets as well as the corresponding participant's liability. They are repaid when the participant no longer operates as a market participant.

#### 4.18. Distribution of dividends

The distribution of dividends to OMIClear shareholders is recorded as a liability in the financial statements in the period in which the dividends are approved by its members.

#### 4.19. Netting of balances and transactions

Assets, liabilities, income and expenses are not netted unless required or permitted by the NCRF (*Accounting and Financial Reporting Standards*).



#### **4.20. Significant accounting estimates and assumptions presented**

Estimates and assumptions with impact on OMIClear's financial statements are continually evaluated, representing at each reporting date the Board's best estimate, taking into account the historical performance, accumulated experience and expectations about future events that, under the circumstances, are believed to be reasonable.

The intrinsic nature of the estimates may cause the actual reflection of the estimated situations, for financial reporting purposes, to differ from the estimated amounts. The estimates and assumptions with a significant risk of causing a material adjustment to the carrying amount of assets and liabilities during the subsequent period are the following:

##### **RELEVANT ACCOUNTING ESTIMATES**

###### **4.10.1. PROVISIONS**

OMIClear periodically analyses any liabilities arising from past events that should be recorded or disclosed.

The subjectivity inherent to the determination of probability and of the internal resources required to pay the liabilities may lead to significant adjustments, because of the varying assumptions used or due to the future recording of provisions previously disclosed as contingent liabilities.

###### **4.20.2. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

The determination of the lifespan of assets and the depreciation/amortisation method to use is key to determining the amount of depreciation/amortisation recorded in the statement of profit and loss for each period.

These two parameters are defined according to the Board's best discretion for assets and businesses in question, taking into account, where possible, the practices adopted by sector companies at international level.

###### **4.20.3. IMPAIRMENT**

The determination of an eventual impairment loss may be triggered by various events, many of which outside OMIClear's sphere of influence, such as: (i) future availability of funding; and (ii) the cost of capital or any other changes internal or external to OMIClear.

The identification of impairment indicators, the estimation of future cash flows and the determination of the fair value of assets imply a high degree of judgement by the Board as regards the identification and evaluation of the different impairment indicators, expected cash flows, applicable discount rates, lifespan and residual values.

###### **4.20.4. DEFERRED TAX ASSETS**

OMIClear has recorded in its accounts the deferred tax assets on the loss for the year. These recorded to the extent that it is likely that sufficient taxable profits will be available in the future to allow such deferred tax assets to be used. The calculation thereof is based on the tax rates in force.

Deferred tax assets are reviewed at the end of each period, and are lowered whenever their future use is no longer probable.

#### **4.21. Events after the balance sheet date**

The events after the financial statement dates that provide additional information about the existing conditions at the time when the financial statements were produced are shown in the company's financial statements. Material events after the date of the financial statements that provide information about the conditions occurring after the financial statements are disclosed in the notes to the financial statements.

## 5 Cash flows

### 5.1. Cash and cash equivalents not available for use

OMIClear has no cash balance or cash equivalent with restrictions on their use for the periods under review.

### 5.2. Breakdown of values posted in “Cash”

Breakdown of cash and cash equivalents as at 31 December 2021 and 31 December 2020:

	<u>31-12-2021</u>	<u>31-12-2020</u>
Cash	1 279	1 266
Bank deposits	<u>10 850 676</u>	<u>11 033 945</u>
	<u><b>10 851 955</b></u>	<u><b>11 035 211</b></u>

Breakdown of the amount considered as final balance under “Cash and cash equivalents” for the purpose of preparing the cash flow statement for the years ended 31 December 2021 and 31 December 2020:

	<u>31-12-2021</u>	<u>31-12-2020</u>
<b>Cash resources</b>		
- Cash	<u>1 279</u>	<u>1 266</u>
	<u><b>1 279</b></u>	<u><b>1 266</b></u>
<b>Bank deposits</b>		
- Checking accounts	9 850 089	10 876 285
- Savings accounts	<u>1 000 587</u>	<u>157 660</u>
	<u><b>10 850 676</b></u>	<u><b>11 033 945</b></u>
	<u><b>10 851 955</b></u>	<u><b>11 035 211</b></u>

## 6 Accounting policies, changes in accounting estimates and errors

### 6.1. Changes in standards

During the period in question, no new standards, changes or interpretations of existing rules were published that should be considered by OMIClear.

### 6.2. Changes in accounting policiess

During the period in question, there were no changes in the accounting policies considered in the preparation of these financial statements.



### 6.3. Changes in accounting estimates

During the period in question, there were no changes in the accounting estimates considered in the preparation of these financial statements.

### 6.4. Prior period errors

During the period in question, no errors were identified that concerned prior periods.

## 7 Property, plant and equipment

Changes recorded under the heading “Property, plant and equipment” as at 31 December 2021:

### Changes in property, plant and equipment – 2020

	Vehicles	Office equipment	Other property, plant and equipment	Total
<b>1 January 2020</b>				
Acquisition cost	40 192	1 811 212	5 675	1 857 077
Accumulated depreciation	(40 192)	(1 797 582)	(3 047)	(1 840 821)
<b>Net book value</b>	<b>-</b>	<b>13 630</b>	<b>2 628</b>	<b>16 256</b>
Additions	-	4 589	-	4 589
Depreciation for the period	-	(7 030)	(22)	(7 052)
<b>Net book value</b>	<b>-</b>	<b>11 189</b>	<b>2 606</b>	<b>13 793</b>
<b>31 December 2020</b>				
Acquisition cost	40 192	1 815 801	5 675	1 861 666
Accumulated depreciation	(40 192)	(1 804 612)	(3 069)	(1 847 873)
<b>Net book value</b>	<b>-</b>	<b>11 189</b>	<b>2 606</b>	<b>13 793</b>

Changes recorded under “Property, plant and equipment” as at 31 December 2021:

### Changes in property, plant and equipment – 2021

	Vehicles	Office equipment	Other property, plant and equipment	Total
<b>1 January 2021</b>				
Acquisition cost	40 192	1 815 801	5 675	1 861 666
Accumulated depreciation	(40 192)	(1 804 612)	(3 069)	(1 847 873)
<b>Net book value</b>	<b>-</b>	<b>11 189</b>	<b>2 606</b>	<b>13 793</b>
Additions	-	-	-	-
Depreciation for the period	-	(4 045)	(2 606)	(6 651)
<b>Net book value</b>	<b>-</b>	<b>7 144</b>	<b>-</b>	<b>7 142</b>
<b>31 December 2021</b>				
Acquisition cost	40 192	1 815 801	5 675	1 861 666
Accumulated depreciation	(40 192)	(1 808 657)	(5 675)	(1 854 524)
<b>Net book value</b>	<b>-</b>	<b>7 144</b>	<b>-</b>	<b>7 142</b>

Depreciation of property, plant and equipment is fully recorded under the heading Expenses/ reversals of depreciation and amortisation in the statement of profit and loss.

As at 31 December 2021, depreciation of property, plant and equipment amounted to €6,651.

There were no additions to property, plant and equipment in the period ending 31 December 2021.

## 8 Intangible fixed assets

Changes recorded under “Intangible assets” as at 31 December 2020:

### Changes in intangible fixed assets – 2020

	Development projects	Computer programmes	Other intangible assets	Total
<b>1 January 2020</b>				
Acquisition cost	23 210	23 777	786 447	833 434
Accumulated depreciation	(19 283)	(18 033)	(657 902)	(695 218)
<b>Net book value</b>	<b>3 926 -</b>	<b>5 744 -</b>	<b>128 545</b>	<b>138 215</b>
Additions	164 099	-	-	164 099
Depreciation - disposals	(24 439)	(5 425)	(127 557)	(157 422)
<b>Net book value</b>	<b>143 586</b>	<b>319</b>	<b>988</b>	<b>144 894</b>
<b>31 December 2020</b>				
Acquisition cost	187 309	23 777	786 447	997 533
Accumulated depreciation	(43 722)	(23 458)	(785 459)	(852 640)
<b>Net book value</b>	<b>143 587</b>	<b>319</b>	<b>988</b>	<b>144 894</b>

Changes recorded under intangible assets as at 31 December 2021:

### Changes in property, plant and equipment – 2021

	Development projects	Computer programmes	Other intangible assets	Total
<b>1 January 2021</b>				
Acquisition cost	187 309	23 777	786 447	997 533
Accumulated depreciation	(43 722)	(23 458)	(785 459)	(852 640)
<b>Net book value</b>	<b>143 587</b>	<b>319</b>	<b>988</b>	<b>144 894</b>
Additions	104 926	-	-	104 926
Depreciation for the period	(52 436)	(319)	(988)	(53 743)
<b>Net book value</b>	<b>196 077</b>	<b>-</b>	<b>-</b>	<b>196 077</b>
<b>31 December 2021</b>				
Acquisition cost	292 235	23 777	786 447	1 102 459
Accumulated depreciation	(96 158)	(23 777)	(786 447)	(906 382)
<b>Net book value</b>	<b>196 077</b>	<b>-</b>	<b>-</b>	<b>196 077</b>

The addition of development projects is related to the development of the integrated collateral manager platform.

As at 31 December 2021, the depreciation of intangible fixed assets amounted to €53 743 euros.



## 9 Other financial investments

As at 31 December 2021 and 31 December 2020, the amount of other investments refers to the monthly contributions made by the company to the Labour Compensation Fund (FCT – *Fundo de Compensação do Trabalho*), under Law 70/2013.

## 10 Deferred taxes

The Company records deferred taxes resulting from temporary differences between asset and liability amounts for accounting and tax purposes.

As at 31 December 2017 and 31 December 2018 the Company recognised deferred tax assets associated with the tax loss for the year, in the amount of €64 302 and €65 898, respectively, which can be deducted from the tax to be paid over a period of 7 years. As at 31 December 2021, the amount of €71 522 was used (2020: €15 003.47).

	<u>Tax losses</u>
As at 1 January 2021	115 153
Period ended 31 December	
Used through profit or loss	(71 522)
Deferred taxes – branch	(1 662)
Changes in the period	<u>(73 183)</u>
As at 31 December 2021	<u>41 970</u>

As at 31 December 2021 and 2020, no situations generated deferred tax assets.

## 11 Other receivable

Breakdown of “Other receivables” as at 31 December 2021 and 31 December 2020:

	31-12-2021			31-12-2020		
	Current	Non-current	Total	Current	Non-current	Total
<b>Other debtors</b>						
OMIP SGPS (Note 33)	-	-	-	4 212	-	4 212
OMIP SA (Note 33)	92 039	122 170	214 209	87 504	218 744	306 248
Enagás (guarantee)	-	175 000	175 000	175 000	-	175 000
MIBGÁS (guarantee)	-	21 000	21 000	21 000	-	21 000
Other	188	-	188	84	-	84
<b>AAccrued income</b>						
Interest receivable	12 934	-	12 934	-	-	-
Other	46 462	-	46 462	53 568	-	53 568
	<u>151 623</u>	<u>318 170</u>	<u>469 793</u>	<u>341 368</u>	<u>218 744</u>	<u>560 112</u>
	151 623	318 170	469 793	341 368	218 744	560 112

OMIP, SA's debt is related to an existing contract between this company and OMIClear regarding the sale of the integrated collateral manager platform for a period of 4 years.

Breakdown of "Other" as at 31 December 2021 and 2020:

	<u>31-12-2021</u>	<u>31-12-2020</u>
ECC - Q4-2021	36 712	50 862
EMIR Galp	3 000	2 268
Acer	6 750	438
	<u>46 462</u>	<u>53 568</u>

The amounts referring to ECC refers to the cooperation agreement between ECC and OMIClear, according to which the former pays a commission for each deal made with products traded in the Portuguese stock exchange.

There are no differences between the book values and their fair value for the periods in question.

## 12 Clients

Breakdown of "Clients" as at 31 December 2021 and 31 December 2020:

	31-12-2021			31-12-2020		
	Current	Non-current	Total	Current	Non-current	Total
Clients – Related parties (Note 33)	-	-	-	20 600	-	20 600
Clients – Third parties	14	-	14	28	-	28
Clients – Branch – Related parties (Note 33)	4 500	-	4 500	-	-	-
Third party clients – Branch	183 202	-	183 202	172 500	-	172 500
	<u>187 716</u>	<u>-</u>	<u>187 716</u>	<u>193 128</u>	<u>-</u>	<u>193 128</u>
Impairment	(17 992)	-	(17 992)	(24 638)	-	(24 638)
	<u>169 724</u>	<u>-</u>	<u>169 724</u>	<u>168 490</u>	<u>-</u>	<u>168 490</u>

The debt of the branch's third party clients is due to the start of the REMIT service in December 2021. Most of this amount is settled through a clearing member, so the amount is transferred to the OMIClear branch in the following month.

During these periods, there were no differences between book value and their fair value. As at 31 December 2021, the map containing the seniority of balances of related parties is as follows:

### STATEMENT OF THE BALANCE SENIORITY OF OMICLEAR

Client's name	Trial balance as at 31-12-2021	Due date	Months in arrears					
				Up to 6 months	6 to 12 months	12 to 18 months	18 to 24 months	>24 months
OMIP - Pólo Português, SGMR, SA	4 500	30/11/2021	1,00	4 500	-	-	-	-
				<u>4 500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>



## 13 State and other public entities

“State and other public entities” balances as at 31 December 2021 and 31 December 2020:

	31-12-2021		31-12-2020	
	Debtor	Creditor	Debtor	Creditor
Corporate tax - IRC	-	26 252	577	-
Corporate tax - IRC- Branch	-	50 018	-	41 649
Income tax- IRS	-	22 348	-	15 132
Income tax - IRS – Branch	-	3 260	-	1 205
Value added tax - VAT	847 548	-	581 286	-
Value added tax- VAT - Branch	-	29 478	-	35 866
Contributions to Social Security	-	22 115	-	14 736
Contributions to Social Security - Branch	-	3 851	-	2 070
	<b>847 548</b>	<b>157 322</b>	<b>581 863</b>	<b>110 658</b>

Corporate income tax income (IRC) for the reported periods:

Breakdown of Corporate tax (IRC)

	31-12-2021	31-12-2020
Payments on account	4 740	1 386
Special payments on account	6 040	8 578
Payments on account - Branch	20 350	-
Withholding tax - Branch	2 250	2 250
Withholding tax	44	414
Corporate tax estimate	(37 076)	(9 801)
Corporate tax estimate - branch	(72 617)	(43 899)
	<b>(76 270)</b>	<b>(41 072)</b>

## 14 Deferrals

Balances under “Deferrals” as at 31 December 2021 and 31 December 2020:

### Deferred costs

	31-12-2021	31-12-2020
Insurance	5 328	5 079
Rents	3 335	3 335
Other	38 047	12 053
	<b>46 710</b>	<b>20 467</b>

### Deferred liabilities

	31-12-2021			31-12-2020		
	Current	Non-current	Total	Current	Non-current	Total
Other	92 039	122 170	214 209	87 504	218 744	306 248
	<b>92 039</b>	<b>122 170</b>	<b>214 209</b>	<b>87 504</b>	<b>218 744</b>	<b>306 248</b>

Deferred liabilities refer to the value of the lease contract of the GIG Platform, starting on 01 July 2020 for a duration of 4 years.

## 15 Other financial assets and liabilities

Cash collateral is recorded under the headings of assets and liabilities.

Amounts recognised in the balance sheet as at 31 December 2021 and 31 December 2020::

	<u>31-12-2021</u>	<u>31-12-2020</u>
Guarantee deposits of participants	1 271 725 450	209 336 113
Amounts to be paid to participants	<u>(1 271 725 214)</u>	<u>(209 336 845)</u>
	<u>236</u>	<u>(732)</u>

The difference between the guarantees payable to the members and the guarantee deposit in 2021 and 2020 refers to interest relating to a bank entity, which are only received every quarter.

## 16 Share capital

As at 31 December 2021 and 31 December 2020, OMIClear's share capital of €7 500 000 was fully subscribed and paid for, and represented by 750,000 shares, each with a par value of €10.

Breakdown for share capital as at 31 December 2021 and 31 December 2020:

	<u>% Share</u>	<u>Capital</u>
OMIP SGMR, SA	50.00%	3 750 000
OMIE	50.00%	3 750 000
	<u>100.00%</u>	<u>7 500 000</u>

## 17 Supplementary payments

In December 2017, the shareholders agreed to increase the Company's equity through supplementary payments.

These payments resulted from the conversion of all remaining loan credits (excluding interest), of an equal amount, contributed by the shareholders to the Company under the loan contracts concluded in December 2015, in the overall amount of €525 835 (five hundred and twenty-five thousand, eight hundred and thirty-five euros).

## 18 Legal reserves and other reserves

"Legal reserves" and "Other reserves" recorded the following changes during the periods ended 31 December 2021 and 31 December 2020:

	<u>Legal reserve</u>	<u>SIG.B reserve</u>	<u>Other reserves</u>	<u>Total</u>
31 December 2020	237 408	1 875 000	66 895	2 179 303
Appropriation of results for the period	20 457	-	-	20 457
31 December 2021	<u>257 865</u>	<u>1 875 000</u>	<u>66 895</u>	<u>2 199 760</u>



Pursuant to the law in force, at least 10 % of the net annual income must be appropriated to increase the legal reserve until it represents 20 % of capital. This reserve cannot be distributed unless the company is liquidated, and can only be used to cover losses after other reserves are used, or added to capital.

In 2021, the negative net profit of 2020 was distributed to retained earnings, legal reserves, and distribution of dividends.

Under the law in force, the SIG.B reserve in the amount of €1 875 000 constitutes OMIClear's own resources to be used in the event of a cascade due to a default.

## 19 Provisions

Breakdown of "Provisions" as at 31 December 2021 and 31 December 2020:

	<u>2021</u>
<b>As at 31 December 2020</b>	<b>35 000</b>
Increase in the period	35 000
Used	-
<b>As at 31 December 2021</b>	<b><u>70 000</u></b>

This provision was increased due to the uncertainty of the amounts that OMIClear will receive from the regulated company OMIP, SA. The company has developed for the latter the Integrated Collateral Manager Platform.

## 20 Suppliers

Breakdown of the heading including all current "Suppliers" as at 31 December 2021 and 31 December 2020:

	<u>31-12-2021</u>	<u>31-12-2020</u>
Suppliers	72 728	69 239
	<b><u>72 728</u></b>	<b><u>69 239</u></b>

## 21 Other accounts payable

Breakdown of “Other accounts payable” as at 31 December 2020 and 31 December 2020:

	31-12-2021			31-12-2020		
	Current	Non-current	Total	Current	Non-current	Total
<b>Supplier investments</b>						
Suppliers	59 557	-	59 557	-	-	-
	<b>59 557</b>	<b>-</b>	<b>59 557</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other creditors</b>						
OMIP SGMR (Note 33)	87 247	-	87 247	170 258	-	170 258
OMIE (Note 33)	172 425	-	172 425	554 583	-	554 583
Interest payable	-	-	-	4 277	-	4 277
Other	41 471	-	41 471	26 632	-	26 632
	<b>301 143</b>	<b>-</b>	<b>301 143</b>	<b>755 750</b>	<b>-</b>	<b>755 750</b>
<b>Creditors due to accrued expenses</b>						
Holidays and holiday bonuses	30 584	-	30 584	29 711	-	29 711
Other staff costs	51 816	-	51 816	54 019	-	54 019
Productivity bonuses	197 565	-	197 565	194 238	-	194 238
Remuneration paid to members of governing bodies	37 000	-	37 000	31 300	-	31 300
Other – Branch	5 316	-	5 316	92 771	-	92 771
Other	133 790	-	133 790	99 240	-	99 240
	<b>456 071</b>	<b>-</b>	<b>456 072</b>	<b>501 279</b>	<b>-</b>	<b>501 279</b>
	<b>816 771</b>	<b>-</b>	<b>816 771</b>	<b>1 257 029</b>	<b>-</b>	<b>1 257 029</b>

The amount of Other Creditors - Accrued Expenses refers to:

	31-12-2021	31-12-2020
- Services provided by market makers	22311	50493
- Services provided by IOBs	17007	23901
- CMVM	3000	3000
- ONI	3170	3142
- EY	3000	3000
- Premium Minds	26160	13220
- Condominium	255	640
- Viagens El Corte Inglés	-	1657
- Descontel	2000	-
- Risk model	35000	-
- SWIFT validation	10800	-
- Lawyers	1000	-
- Deloitte	7050	-
- Representation and travel expenses	1919	-
- Other	1118	187
	<b>133 790</b>	<b>99 240</b>



## 22 Services provided

Breakdown of services provided and recognised in the statement of profit and loss:

	<u>31-12-2021</u>	<u>31-12-2020</u>
RRM (Remitt)	1 451 088	1 389 164
Market fees	1 209 853	1 014 253
Integrated Collateral Manager	469 054	512 371
ECC agreement	189 413	189 399
EMIR Reporting	62 200	43 600
Training	19 936	24 950
	<u><b>3 401 544</b></u>	<u><b>3 173 737</b></u>

In October 2019, started the integrated REMIT reporting service, which entails different reporting obligations. The positive difference in this item is due to the increase in this service plus the Acer fee also charged to agents.

Here we also highlight the increase in market commissions and the decrease in the integrated collateral manager. This decrease is due to the fact that 2020 was the start-up year of the project and, therefore, more services were contracted from OMIClear.

## 23 Supplies and external services

Breakdown of costs incurred with "Supplies and external services":

	<u>31-12-2021</u>	<u>31-12-2020</u>
Specialised works	658 583	487 927
Rentals and leases	59 417	48 008
Travel and accommodation	34 536	32 586
Accounting and human resources - Branch	20 327	26 146
Insurance	18 807	14 725
Fees	14 175	15 599
Banking fees and services	9 404	9 478
Entertainment fees	8 823	13 522
Cleaning, hygiene and comfort	8 418	7 149
Materials	5 692	-
Electricity	2 460	2 166
Other (each under €5,000)	2 535	7 505
	<u><b>843 177</b></u>	<u><b>664 811</b></u>

The most relevant items under "Supplies and external services" are specialised tasks that essentially include (i) the maintenance of systems and access to IT platforms, and (ii) the management fees that offset the work of other Group collaborators for OMIClear. The increase in the heading specialised works is due to: (i) Maintenance of the GIG platform; (ii) legal services; (iii) audits.

## 24 Staff costs

Breakdown of “Staff costs” incurred during the periods ended 31 December 2021 and 2020:

	<u>31-12-2021</u>	<u>31-12-2020</u>
Remunerations		
Governing bodies	347 073	393 930
Staff	578 190	560 533
Staff - Branch	77 586	36 676
	<u>1 002 849</u>	<u>991 139</u>
Social charges	183 886	174 882
Other	14 416	12 818
	<u>198 302</u>	<u>187 700</u>
	<u>1 201 151</u>	<u>1 178 839</u>

In 2021, the average number of OMIClear staff was 13 (2020: 12).

## 25 Other income and gains

Breakdown of “Other income and gains”:

	<u>31-12-2021</u>	<u>31-12-2020</u>
Guarantees	512 022	244 189
Management fees (Note 33)	105 892	105 892
Other	1 097	152
	<u>619 011</u>	<u>350 233</u>

“Income from guarantees” refers to operating income and relates to capital income received for the management of guarantees deposited with OMIClear. As from October 2019, interest was replaced with custody fees.

The heading “Management fees” includes debit amounts charged by OMIClear for the work of OMIClear employees in OMIP management tasks.

## 26 Other expenses and losses

Breakdown of “Other expenses and losses”:

	<u>31-12-2021</u>	<u>31-12-2020</u>
Services provided by group companies (Note 33)	184 000	195 000
RRM (Remitt)	763 250	750 020
Costs with market operations	127 991	155 584
Contributions/levies	25 460	23 000
Donations	-	1 503
Taxes	1 686	5 102
Other	2 629	1 726
	<u>1 105 016</u>	<u>1 131 935</u>



Expenses recognised as market operations as at December 2021 and 2020 resulted from fixed commissions charged by Market Makers and IOBs, and also by the CMVM Regulator.

Costs concerning REMIT represent the fees paid to OMIP and OMIE, as resources from these two companies are used in this service.

## 27 Financial expenditure

Breakdown of "Financial expenditure" for the years 2021 and 2020 is as follows:

	<u>31-12-2021</u>	<u>31-12-2020</u>
<b>Interest and similar income obtained</b>		
Other interest and similar income	-	2 268
	<u>-</u>	<u>2 268</u>
<b>Interest and similar charges</b>		
Interest paid	36 065	(56 058)
	<u>36 065</u>	<u>(56 058)</u>

## 28 Income tax

Breakdown of "Income tax" as at 31 December 2021 and 31 December 2020:

	<u>31-12-2021</u>	<u>31-12-2020</u>
Current income tax	109 693	50 906
Deferred income tax	71 522	15 003
	<u>181 215</u>	<u>65 909</u>

### 28.1. Deferred taxes

As at 31 December 2021, no deferred tax asset was recognised. However, the total deferred tax of previous years amounts to €130 200. Also in this period, tax losses were used in the year in the amount of €71 522.

As at 31 December, there are no deferred tax liabilities.

## 28.2. Reconciliation of tax rate

Reconciliation of the effective tax rate for the periods ended 31 December 2021 and 2020:

	31-12-2021		31-12-2020	
Pre-tax result	15 000	706 760	15 000	255 482
Tax rate	17.0%	21.0%	17.0%	21.0%
	<b>2 550</b>	<b>92 212</b>	<b>2 550</b>	<b>16 855</b>
	<b>94 762</b>		<b>19 405</b>	
Non-deductible expenses	7 442		3 415	
Non-taxable income	(2 673)		(2 415)	
Surcharge	6 812		1 429	
Autonomous taxation	2 255		2 971	
Impact of branch tax	72 617		41 105	
Deferred tax asset	71 522		15 003	
Deduction of income tax loss	(71 522)		(15 003)	
	<b>181 215</b>		<b>65 909</b>	
Current income tax	37 076		9 801	
Impact of branch tax	72 617		41 105	
Deferred tax asset	71 522		15 003	
Income tax	<b>181 215</b>		<b>65 910</b>	
Effective tax rate	<b>25,11%</b>		<b>24,37%</b>	

The tax rate used for determining the amount of tax in the financial statements:

	31-12-2021	31-12-2020
Tax rate up to €15.000	17.00%	17.00%
Tax rate for remaining value	21.00%	21.00%
Surcharge	1.50%	1.50%
	<b>20.50%</b>	<b>20.50%</b>

## 29 Dividends

As at 31 December 2021, OMIClear paid dividends in the amount of €00 000 to OMIP SGMR and OMIE shareholders, in proportion to their shareholdings in the company's equity (while in 2020 no dividends were paid).

## 30 Commitments

As at 31 December 2021 and 31 December 2020, there were no other commitments undertaken by the company and not reflected in the financial statements.

## 30 Contingencies

### CONTINGENT LIABILITIES

As at 31 December 2021 and 31 December 2020, OMIClear did not record any contingent liabilities.

### CONTINGENT ASSETS

As at 31 December 2021 and 31 December 2020, OMIClear did not record any contingent assets.



## 32 Information required by law

Under Article 21(1) of Decree-law 411/91, of 17 October, OMIClear confirms that it does not owe any contributions to Social Security or to Treasury.

## 33 Related companies

As at 31 December 2021 and 31 December 2020, OMIClear was 50 % held by OMIP – Polo Português, S.G.M.R., S.A. and 50 % by OMI – Polo Español, S.A. (OMIE).

NATURE OF THE RELATIONSHIP WITH RELATED COMPANIES:

### Shareholders:

- OMIP – Polo Português, SGMR, SA
- OMI – Polo Español, SA (OMIE)

### Other related companies:

- OMIP – Operador do Mercado Ibérico (Portugal), SGPS, SA
- OMEL – Operador del Mercado Ibérico de Energía, Polo Español, SA
- REN – Redes Energéticas Nacionais, SA.
- REN – Serviços, SA.
- Caixa Geral de Depósitos
- Banco Comercial Português, SA

### 33.1. Transactions with shareholders:

In the periods concerned, OMIClear made the following transactions with its shareholders:

	<u>31-12-2021</u>	<u>31-12-2020</u>
<b>Services provided</b>		
OMIP SGMR (Note 22)	85 344	85 344
	<b><u>85 344</u></b>	<b><u>85 344</u></b>
	<b>31-12-2021</b>	<b>31-12-2020</b>
<b>Services acquired</b>		
OMIP SGMR (Note 26)	384 000	195 000
OMIE (Note 26)	550 000	554 583
	<b><u>934 000</u></b>	<b><u>749 583</u></b>

**33.2. Debit and credit balances with shareholders**

For the periods ended 31 December 2021 and 31 December 2020, the balances resulting from transactions made with the shareholders are as follows:

	<u>31-12-2021</u>	<u>31-12-2020</u>
<b>Clients</b>		
OMIE (Note 12)	-	20 600
OMIP SGMR (Note 12)	4 500	-
	<u>4 500</u>	<u>20 600</u>
<b>Other accounts payable</b>		
OMIP SGMR (Note 21)	87 247	170 258
OMIE (Note 21)	172 425	554 583
	<u>259 672</u>	<u>724 841</u>

**33.3. Transactions with other related parties:**

During the periods concerned, OMIClear made the following transactions with the entities below:

	<u>31-12-2021</u>	<u>31-12-2020</u>
<b>Services provided</b>		
OMIP SGPS (Note 25)	20 548	20 548
OMIP, SA (Note 22)	469 054	512 371
	<u>489 601</u>	<u>532 919</u>

**33.4. Debit and credit balances with other related parties:**

As at 31 December 2021 and 31 December 2020, the balances resulting from transactions made with other related parties are as follows:

	<u>31-12-2021</u>	<u>31-12-2020</u>
<b>Other accounts receivable</b>		
OMIP SGPS (Note 11)	-	4 212
OMIP, SA (Note 11)	214 209	306 248
	<u>214 209</u>	<u>310 460</u>

**33.5. Management remunerations**

Remunerations earned by the members of OMIClear's Board of Directors during the periods ended 31 December 2021 and 31 December 2020:

	<u>31-12-2021</u>	<u>31-12-2020</u>
Remunerations	108 026	121 748
Attendance fees	193 949	221 719
Gratuities and bonuses	45 097	50 463
	<u>347 073</u>	<u>393 930</u>



## 34 Subsequent events

Up to the date on which these financial statements were approved, the Board of Directors had no knowledge of any subsequent events that should be recorded or disclosed herein.

## 34 Proposed appropriation of profits

The Board of Directors, under the terms and for the purposes of Article 25 of the Company Statutes, decided to propose that the net result for 2021 in the amount of €540 545 (five hundred and forty thousand, five hundred and forty-five euros) be appropriated as follows:

To legal reserve .....	€54 054,50
To distribution of dividends.....	€100 000,00
To retained earnings.....	€ 386 490,50

Lisbon, 17 March 2022

## The Board of Directors

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**Carmen Becerril Martinez**

**Martim Bleck de Vasconcelos e Sá**

**António Erias Rey**

**José Manuel Amado da Silva**

**Gonzalo Solana González**

**Monica Guardado Rodriguez**

## The Certified Accountant

**Manuela Lopes dos Santos**

Certified Accountant, Licence no. 85946



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## ANNEXES

# LEGAL CERTIFICATION OF ACCOUNTS

01/02



**Ernst & Young**  
**Audit & Associados - SROC, S.A.**  
 Av. da República 90,  
 1700-157 Lisboa  
 Portugal

Tel: +351 21 791 2000  
 Fax: +351 217 957 590  
 www.ey.com

*(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails)*

## Statutory Auditor's Report

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying financial statements of OMI Clear - C.C., S.A. (the Entity), which comprise the Balance Sheet as at 31 December 2021 (showing a total of 1.284.368.983 euros and a total equity of 11.312.740 euros, including a net profit for the year of 540.545 euros), the Income Statement by Nature, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and the Annex, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the OMI Clear - C.C., S.A. as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting and Financial Reporting Standards adopted in Portugal under the Portuguese Accounting System.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors' code of ethics.

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

#### Responsibilities of Management for the financial statements

Management is responsible for:

- ▶ the preparation of financial statements that presents a true and fair view of the Entity's financial position, financial performance and cash flows in accordance with Accounting and Financial Reporting Standards adopted in Portugal under the Portuguese Accounting System;
- ▶ the preparation of the Management Report in accordance with the laws and regulations;
- ▶ designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ▶ the adoption of accounting policies and principles appropriate in the circumstances; and
- ▶ Assessing the Entity's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Entity's ability to continue as a going concern.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 ISAs 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 financial statements.



## LEGAL CERTIFICATION OF ACCOUNTS

02/02



OMIClear - C.C., S.A.  
Statutory Auditor's Report  
31 December 2021

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

- ▶ identify and assess the risks of material misstatement of the financial statements, 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;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's 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 Entity'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 financial statements 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 Entity to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- ▶ communicate with those charged with governance, 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.

Our responsibility also includes the verification that the information contained in the Management Report is consistent with the financial statements.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

#### On the Management Report

In our opinion, the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited financial statements and we have not identified any material misstatement.

Lisbon, 19 April 2022

Ernst & Young Audit & Associados - SROC, S.A.  
Sociedade de Revisores Oficiais de Contas  
Represented by:

(Signed)

Rui Abel Serra Martins - ROC nr. 1119  
Registered with the Portuguese Securities Market Commission under license nr. 20160731

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**OMIClear, C.C., S.A.**

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