



TAGUS - STC, S.A.

Sociedade Titularização de Créditos

Annual Report 2021



Pursuant to the applicable provisions of the Commercial Companies Code, we now submit the Annual Report, Financial Statements and Annex of Tagus – Sociedade de Titularização de Créditos, SA (“Company” or “Tagus STC, S.A.”) for the year ended 31 December 2021, for your consideration.

In accordance with applicable legal provisions, the Company's financial statements for the year ending 31 December 2021 have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) endorsed by the European Union (“EU”) in effect on this date.

The Company's activity is regulated by Decree-Law no. 453/99 (republished by Law no. 69/2019, of 28 August and with the amendments introduced by Decree-Law no. 144/2019, of 23 September and Law No. 25/2020, of July 7) and CMVM Regulation No. 4/2020. Decree-Law no. 453/99 clearly defines the mandatory autonomous assets of each operation, with the assets of each operation responding exclusively to the corresponding liabilities. The Company's assets cannot be allocated to any of the operations.

Taking into account the derecognition rules defined in the IFRS, and despite the nature and characteristics of the operations under management, they continue to be presented in the Company's Financial Position, given that, according to Portuguese law, the Company is the last responsible for any events related to said operations, which prevents their derecognition.

1º Establishment and Corporate Purpose

Tagus STC, S.A. began doing business on 11 November 2004. Its corporate purpose is the exercise of activities permitted by law to securitization companies through the acquisition, management and transfer of credit and the issuance of securitized bonds to pay for purchased receivables.

2º Business Activity

On 12th February 2021 the Company made the final redemption of the Operation “ Volta IV Electricity Receivables Securitisation Notes”.

On 26th February 2021 the Company made the early redemption of the Operation “Pelican Finance No 1”.

On 1st April 2021 the Company carried out the operation “Next Funding No. 1”.

On 28th September 2021 the Company carried out the operation “Ulisses Finance No.2”.

On 30th September 2021 the Company carried out the operation “Viriato Finance No.1”.



3º Securitization transactions on 31 December 2021

On 31st December 2021 and 2020, the amounts of debt securities issued by each transaction managed by Tagus STC, S.A, were as follows:

<i>(Expressed in EUR)</i>						
Underlying	Designation	Date of establishment	Amount 31-12-2021	%	Amount 31-12-2020	%
Mortgage Loans	Aqua Mortgage No.1	08-12-2008	70 541 828	1.2%	79 202 699	1.2%
	Green Belem No. 1	30-04-2020	308 158 908	5.1%	361 006 630	5.5%
	Nostrum Mortgage No.2	05-11-2010	2 683 401 767	44.2%	2 944 138 472	44.8%
			3 062 102 503	50.5%	3 384 347 801	51.5%
Consumer Finance	Aqua Finance No.4	11-07-2017	54 374 340	0.9%	84 223 487	1.3%
	Chaves Funding No.8	28-11-2019	297 622 150	4.9%	462 355 031	7.0%
	Pelican Finance No.1	30-04-2014	0	0.0%	85 148 633	1.3%
	Silk Finance No.5	23-07-2020	603 301 001	9.9%	605 941 001	9.2%
	Victoria Finance No. 1	28-07-2020	528 028 657	8.7%	531 167 534	8.1%
	Next Funding No. 1	01-04-2021	264 794 406	4.4%	0	0.0%
	Uliisses Finance Nº 2	28-09-2021	251 276 000	4.1%	0	0.0%
	Viriato Finance Nº 1	30-09-2021	151 400 000	2.5%	0	0.0%
			2 150 796 554	35.4%	1 768 835 686	26.9%
	EnergyOn No.1	06-03-2009	304 097 567	5.0%	395 610 397	6.0%
	EnergyOn No.2	03-12-2009	105 154 849	1.7%	137 339 591	2.1%
	Volta IV Electricity Receivables Securitisation Notes	03-08-2016	0	0.0%	26 340 614	0.4%
	Volta V Electricity Receivables Securitisation Notes	06-12-2017	25 578 655	0.4%	176 071 245	2.7%
	Volta VI Electricity Receivables Securitisation Notes	27-06-2018	193 146 147	3.2%	356 421 820	5.4%
	Volta VII Electricity Receivables Securitisation Notes	03-07-2019	227 375 054	3.7%	330 936 591	5.0%
			855 352 272	14.1%	1 422 720 258	21.6%
	Total		6 068 251 329		6 575 903 744	

4º Equity

In view of the securitization transactions and bonds arising from legislation in force, on 31st December 2021, the Company's share capital of Euros 250,000 (two hundred and fifty thousand euros) was fully paid up. The sole shareholder Deutsche Bank Aktiengesellschaft made supplementary capital contributions to the Company (as described in Note 19 of the Annex to the financial statements) amounting to Euros 3,260,667 (three million two hundred and sixty thousand six hundred and sixty-seven euros).

The subordinated supplementary contributions do not have defined maturity, are subject to early repayment with authorization from the Portuguese Securities Market Commission and were made by the sole shareholder with annual remuneration based on results subject to shareholder distribution, and generated in the reference year of the remuneration, at an interest rate corresponding to the 12-month Euribor plus 3%. Interest will be paid annually.

These amounts correspond to the Company's equity, which is sufficient to meet the prudential ratios related to equity pursuant to article 71.ºM of the RGOIC - Article 19 and Article 43 of the Legal Regime of the Credit securitization as amended by Decree Law no. 144/2019.



5° Main indicators

<i>(Expressed in EUR)</i>			
EUR	2021	2020	Var
Total Balance	6 185 976 768	6 644 068 349	(458 091 581)
Equity	822 919	4 281 352	(3 458 433)
Net Interest income	25 240 831	24 006 462	1 234 369
Total Operating Income/Expense	(5 729 928)	13 681 825	(19 411 753)
Reversal / (losses) loan impairment	(19 167 026)	(37 239 906)	18 072 880
Income Tax	(77 372)	(100 886)	23 514
Net Income for the year	266 505	347 495	(80 991)
Comissions charged by Tagus over the operatio	875 495	965 936	(90 441)

Regarding the main indicators, the total Financial Position registered a reduction of around Euros 458 million.

This decrease results, on one hand, from the natural amortization of operations totalling Euros 1,090 million and the early amortization of the Pelican Finance No. 1 in 63 million and, on the other hand, the beginning of three new operations Next Funding No. 1, Ulisses Finance No. 2 and Viriato Finance No. 1, totalling Euros 512 million.

It is possible to see a recovery in the financial margin compared to 2020.

As for the decrease in operating income (Euros 19 million), this essentially results from the Euros 19 million reduction in the results of assets and liabilities at fair value through results, which is essentially justified by the Next Funding No. 1 (which contributed Euro 9 million in positive results), the Victoria Finance No. 1 (which contributed with a negative variation of Euros 20 million when comparing with the year 2020) and the operation Nostrum Mortgage No. 2 (which contributes to a negative variation of Euros 15 million) when comparing this item with the year 2020.

The decreased in impairment in Euros 18 million is justified by the impairment of operation Victoria Finance No. 1 and Nostrum Mortgage No. 2 Operations, which decreased by approximately Euros 8 million and Euros 5.5 million, respectively.

Although at the end of the year there are more active operations, the result shows a decrease of Euros 80,991, which resulted in the decrease in the amount under management due to the end of operations that occurred during the first quarter of the year.

The impairment of each of the operations, presents the following evolution for 2021/2020:



Operation	2021	2020	Var
Aqua Finance No.4	5.6%	4.2%	1.4%
Aqua Mortgage No.1	1.0%	1.0%	0.0%
Chaves Funding No.8	3.8%	2.0%	1.7%
Green Belem No. 1	0.0%	0.0%	0.0%
Next Funding No. 1	2.5%	-	-
Nostrum Mortgage No.2	0.0%	0.2%	-0.2%
Pelican Finance No.1	-	8.5%	8.5%
Silk Finance No.4	-	-	0.0%
Silk Finance No.5	0.9%	0.6%	0.4%
Ulisses Finance Nº 2	0.8%	-	0.0%
Victoria Finance No. 1	2.6%	4.1%	-1.5%
Viriato Finance Nº 1	1.9%	-	0.0%

6° Prospects for 2021

Regarding the new operations, the Company will seek to strengthen its business portfolio in Portuguese loan securitization market, even though the international and national economic situation does not foresee a significant recovery in the sector.

7° Risk Management

The integrated risk management – credit, market, liquidity, operational and other – is one of the primary support vectors for a strategy of sustained growth to maintain an appropriate relationship between the level of capital and the activities undertaken, ensuring a proper assessment of the risk / return ratio of the different business lines.

In the analysis of the different risks arising from the Company's business, the operational risk was pointed out as possible to be incurred. Operational risk is defined as potential losses resulting from failures or shortcomings in internal processes, people or systems, or from outside events.

The Deutsche Bank Group has always ensured that its subsidiaries employ principles and practices to efficiently manage operational risk, namely by defining and documenting these principles and implementing corresponding control mechanisms such as the segregation of job duties, lines of responsibility and respective authorizations, limits to exposure, codes of ethics and conduct, key indicators, information technology controls, contingency plans, physical and logical access, reconciliation activities, exception reports and company training on processes, products and systems.

8° Corporate Governance Practices and Structure

The Company is fully owned by Deutsche Bank Aktiengesellschaft.



The rules for amending the Company's Articles of Association and for appointing or replacing members of the Board of Directors are those provided for by law.

The Board of Directors has the powers granted by law and by the Company's articles of association, including the ability to decide on increasing the Company's share capital on one or more occasions, over a period of five years and up to a maximum of ten million euros; and, pursuant to applicable legal limitations, to employ low-risk, high-liquidity financial instruments.

As a subsidiary of Deutsche Bank Aktiengesellschaft, Tagus STC, S.A.'s accounts are consolidated with the accounts of this institution, meaning that monitoring the Company's developments follows the same parameters as those of Deutsche Bank Aktiengesellschaft. The reporting of financial information to supervisory authorities, namely information to the Portuguese Securities Market Commission (CMVM) and the preparation of Tagus STC, S.A.'s financial statements and reporting, follows the same criteria of security and reliability employed by the Group. The Company's accounts are also subject to compliance with International Financial Reporting Standards.

Statement on Remuneration Policy of the Management and Supervisory board members

1. Notwithstanding remuneration received through other Deutsche Bank Group entities, the members of the Board of Directors are not remunerated during the 2019-2021 mandate.
2. The Company's Audit Committee appointed for the 2019-2021 mandate receive annual compensation of Euros 13,000 for the time spent carrying out their assigned duties pursuant to the law and articles of association.
3. For the 2021-2023 mandate, Mazars & Associados - Sociedade de Revisores Oficiais de Contas, S.A., was appointed as Tagus' Statutory Auditor, with annual remuneration of Euros 2.800 under the terms of the service provision agreement signed with the Company.

The members of the Company's boards are as follows:

Board of Directors

Chairman	Catarina Isabel Lopes Antunes Ribeiro Gil Mata
Member	Rui Paulo Menezes Carvalho
Member	Rafe Nicholas Morton

General Meeting of Shareholders

Chairman of the Presiding Board	Hugo Moredo Santos
Secretary	Tiago Correia Moreira

Supervisory Board

Chairman of the Audit Committee	Leonardo Bandeira de Melo Mathias
Member	Pedro António Barata Noronha de Paiva Couceiro
Member	João Alexandre Marques de Castro Moutinho Barbosa
Substitute Member	João Miguel Leitão Henriques

Company Secretary	Helena Patrícia Pereira Lopes
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Substitute Member

Ana Paula Pedro de Carvalho Dias da Silva

9º Information required by article 447 of the Commercial Companies Code

In 2021, there was no sale, acquisition and / or change in ownership of the shares in the share capital, with Deutsche Bank Aktiengesellschaft holding 50,000 shares, corresponding to 100% of the capital and the respective voting rights.

10º Proposal for the Allocation of Profits

In 2021, Tagus STC, S.A. had a profit before tax of Euros 343,877, subject to Euros 77,372 of income tax payable, pursuant to the applicable legislation.

The net profit was Euros 266,505, which, in accordance with the law and articles of association, will be allocated as follows:

<u>Proposal for the appropriation of profits</u>		
Legal Reserve	Eur	0
Dividends	Eur	266 505
Retained Results	Eur	0
<hr/>		
Total		266 505
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Lisbon, 29th March 2022**The Board of Directors**Rui Carvalho
(Board Member)Catarina Isabel Gil Mata
(Chairman)



Balance Sheet as at 31 of December 2021 and 2020

(Expressed in EUR)

Notes	Total Operations		Tagus		Total		
	2021	2020	2021	2020	2021	2020	
Assets							
Deposits at other Credit Institutions	11	313 812 476	330 716 281	4 875 488	5 600 191	318 687 964	336 316 472
Balances due from other Credit Institutions	12	17 975 517	20 832 553	-	-	17 975 517	20 832 553
Loans to customers	13	5 811 439 434	6 266 081 587	-	-	5 811 439 434	6 266 081 587
Intangible assets		-	-	-	-	-	-
Financial assets held for trading	14	7 105 453	1 123 089	-	-	7 105 453	1 123 089
Other assets	15	30 667 812	19 630 993	100 589	83 656	30 768 401	19 714 649
Total Assets		6 181 000 691	6 638 384 502	4 976 077	5 683 847	6 185 976 768	6 644 068 349
Liabilities							
Other Loans	16	36 182 264	-	-	-	36 182 264	-
Financial liabilities held for trading	17	17 888 746	29 172 334	-	-	17 888 746	29 172 334
Debt securities issued	18	6 063 702 405	6 545 013 609	-	-	6 063 702 405	6 545 013 609
Other financial liabilities	19	-	-	3 343 024	199 864	3 343 024	199 864
Other liabilities	20	63 227 277	64 198 559	810 134	1 202 631	64 037 410	65 401 190
Total Liabilities		6 181 000 691	6 638 384 502	4 153 157	1 402 495	6 185 153 849	6 639 786 997
Equity							
Share Capital	21	-	-	250 000	250 000	250 000	250 000
Other equity instruments	21	-	-	-	3 260 667	-	3 260 667
Reserves and retained earnings	22	-	-	306 415	423 190	306 415	423 190
Net income for the period		-	-	266 504	347 495	266 504	347 495
Total Equity		-	-	822 919	4 281 352	822 919	4 281 352
Total Equity and Liabilities		6 181 000 691	6 638 384 502	4 976 077	5 683 847	6 185 976 768	6 644 068 349

The financial statement's notes are part of the above-mentioned financial statements.

THE CHIEF ACCOUNTANT

THE BOARD OF DIRECTORS



Income Statement
as at 31 of December 2021 and 2020

(Expressed in EUR)

	Notes	Total Operations		Tagus		Total	
		2021	2020	2021	2020	2021	2020
Interest and similar income	4	264 106 494	201 739 037	-	-	264 106 494	201 739 037
Interest expense and similar charges	4	(238 783 307)	(177 637 219)	(82 356)	(95 356)	(238 865 663)	(177 732 575)
Net interest income	4	25 323 187	24 101 818	(82 356)	(95 356)	25 240 831	24 006 462
Results from services and fees	5	-	-	875 495	965 936	875 495	965 936
Net gains/(losses) arising from financial assets and liabilities at fair value through profit of loss	6	5 280 188	24 701 248	-	-	5 280 188	24 701 248
Staff costs	7	-	-	(15 639)	(15 639)	(15 639)	(15 639)
General and administrative costs	8	(11 436 350)	(11 563 160)	(433 623)	(406 560)	(11 869 972)	(11 969 720)
Impairment losses on loans, net of reversals and recoveries	9	(19 167 026)	(37 239 906)	-	-	(19 167 026)	(37 239 906)
Income before income tax				343 876	448 381	343 877	448 381
Income tax	10	-	-	(77 372)	(100 886)	(77 372)	(100 886)
Net income for the period				266 504	347 495	266 505	347 495
Resultado líquido por ação				5.33	6.95	80 991	

The financial statement's notes are part of the above-mentioned financial statements.

THE CHIEF ACCOUNTANT

THE BOARD OF DIRECTORS



Statement of Changes in Equity
for the year ended 31 December, 2021 and 2020

		<i>(Expressed in EUR)</i>					
	Notes	Total Equity	Share Capital	Other Equity instruments	Legal Reserve	Retained Earnings	Net income for the year
Balance on 31 December 2019	21/22	3 070 230	250 000	2 397 040	268 674	37 741	116 775
Legal Reserve		-	-	-	-	-	-
Retained earnings		-	-	-	-	116 775	(116 775)
Dividends		-	-	-	-	-	-
Supplementary Payments		863 627	-	863 627	-	-	-
Net income for the year		347 495	-	-	-	-	347 495
Balance on 31 December 2020	21/22	4 281 352	250 000	3 260 667	268 674	154 515	347 495
Legal Reserve		-	-	-	-	-	-
Retained earnings		-	-	-	-	347 495	(347 495)
Dividends		(464 270)	-	-	-	(464 270)	-
Supplementary Payments		(3 260 667)	-	(3 260 667)	-	-	-
Net income for the year		266 504	-	-	-	-	266 504
Balance on 31 December 2021	21/22	822 919	250 000	-	268 674	37 741	266 504

The financial statement's notes are part of the above-mentioned financial statements.

THE CHIEF ACCOUNTANT

THE BOARD OF DIRECTORS



**Statement of Comprehensive Income
for the year ended at 31 December of 2021 and 2020**

	2021	<i>(Expressed in EUR)</i> 2020
Other comprehensive income for the year	-	-
Net income for the year	266 504	347 495
Total comprehensive income for the year	266 504	347 495

The financial statement's notes are part of the above-mentioned financial statements.

THE CHIEF ACCOUNTANT

THE BOARD OF DIRECTORS



Cash Flow Statement for the year ended 31 December 2021 and 2020

(Expressed in EUR)

	Total Operations		Tagus		Total	
	2021	2020	2021	2020	2021	2020
Operating Activities						
Other receivables/(payments) associated with the operating activities	(11 099 931)	(12 956 584)	28 916	815 929	(11 071 015)	(12 140 655)
<i>Cash flows arising from operating activities</i>	(11 099 931)	(12 956 584)	28 916	815 929	(11 071 015)	(12 140 655)
Investing Activities						
Receivables:						
Customers Loans	(33 802 299)	(273 452 977)	-	-	(33 802 299)	(273 452 977)
Interest income	732 130 794	401 425 105	-	-	732 130 794	401 425 105
Payments:						
Loan Portfolio acquisition	-	-	-	-	-	-
Financial Investments	34 924 264	(1 859 760)	-	-	34 924 264	(1 859 760)
<i>Cash flows arising from investing activities</i>	733 252 760	126 112 368	-	-	733 252 760	126 112 368
Financing Activities						
Receivables:						
Debt securities issued	789 223 361	1 668 955 713	-	-	789 223 361	1 668 955 713
Payments:						
Debt securities issued	(1 293 199 971)	(1 546 972 541)	-	-	(1 293 199 971)	(1 546 972 541)
Interest Expenses	(235 080 023)	(193 162 051)	-	-	(235 080 023)	(193 162 052)
Dividends	-	-	(753 619)	(9 151 246)	(753 619)	(9 151 246)
<i>Cash flows arising from financing activities</i>	(739 056 633)	(71 178 878)	(753 619)	(9 151 246)	(739 810 252)	(80 330 125)
Net changes in cash and cash equivalents	(16 903 805)	41 976 906	(724 703)	(8 335 317)	(17 628 508)	33 641 589
Cash and cash equivalents balance at the beginning of the year	330 716 281	288 739 375	5 600 191	13 935 508	336 316 472	302 674 883
Cash and cash equivalents balance at the end of the year	313 812 476	330 716 281	4 875 488	5 600 191	318 687 965	336 316 471

The financial statement's notes are part of the above-mentioned financial statements.

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**Notes to the Financial Statements
31 December 2021 and 2020****1 Introductory Note**

Tagus - Sociedade de Titularização de Crédito, SA ('Company'), was incorporated on 11 November 2004, under Decree-Law No. 453/99, of November 5th, republished by Law No. 69/2019 of August 28 and with the changes introduced by Decree-Law no. 144/2019, of 23 September and by Law no. 25/2020, of 7 July, which regulate credit securitization companies.

The Company's registered office is located at Rua Castilho, n.º 20, 1250-069 Lisboa.

The purpose of the Company is the exercise of activities permitted by law to securitization companies, namely carrying out securitization transactions through the acquisition, management and transfer of credit and the issuance of securitized bonds to pay for purchased receivables.

The Company's share capital is € 250,000, fully subscribed and paid up in cash by its sole shareholder Deutsche Bank Aktiengesellschaft and represented by 50,000 book entry shares with a nominal value of Euros 5 each.

2 Basis of preparation of Financial Statements

Under the provisions of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, transcribed into Portuguese legislation through Decree Law no. 35/2005 of 17 February and CMVM Regulation no. 11/2005, the Company's financial statements must be prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union ("EU"). The IFRS include standards issued by the International Accounting Standards Board ("IASB"), as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and their respective predecessor boards. The financial statements presented here were approved by the Board of Directors on the 29th of March 2022. The financial statements are presented in euros.

The financial statements, for the years ended 31 December 2021 and 31 December 31 2020, were prepared on the assumption of continuity of operations, based on the accounting books and records maintained in accordance with the International Financial Reporting Standards, such as adopted in the European Union (IAS / IFRS).

The financial statements have been prepared on a historical cost basis, modified using fair value for financial derivatives, except those for which it is not available. Other financial and non-financial assets and liabilities are recorded at amortized or historical cost.

The preparation of the annual financial statements in accordance with IFRS requires that the Board of Directors formulate judgements, estimates and assumptions that affect the application of accounting policies and the value of assets, liabilities, income, and costs. The estimates and associated assumptions are based on historical experience and other factors considered reasonable under the circumstances and form the basis for the judgements on the values of assets and liabilities whose valuation is not obvious from other sources. Actual results may



differ from estimates. The issues that require a higher degree of judgement or complexity, or for which the assumptions and estimates are considered significant, are presented in Note 3.12.

The accounting policies were applied consistently with those used in the preparation of the financial statements for the previous period.

3 Main valuation criteria used

The most significant accounting policies used in the preparation of the financial statements were as follows:

3.1. Financial instruments

Financial assets and liabilities are recognized on the Company's balance sheet on the date of payment or receipt, unless an express contractual stipulation or applicable legal or regulatory scheme dictates that the rights and obligations associated with the transaction amounts must be transferred on a different date, in which case this date shall prevail.

Financial Assets

At the time of their initial recognition, financial assets are classified into one of the following categories:

- Financial assets at amortized cost;
- Financial assets at fair value through other comprehensive income;
- Financial assets at fair value through profit or loss.

The classification is carried out considering the following aspects:

- The Company's business model for the management of financial assets; and
- The characteristics of the contractual cash flows of the financial asset.

Business model assessment

The Company assesses the business model in which the financial instrument is held at portfolio level, which reflects the way in which groups of financial assets are managed to achieve a certain business objective.

The Company proceeded to assess the business model of its financial asset portfolios considered the following aspects:

- the way in which the performance of the business model and the financial assets held under the respective business model are assessed and reported to management;
- the risks that affect the performance of the business model (and the financial assets held under the respective business model) and the way in which those risks are managed; and,



- the way in which business managers are compensated.

Within the scope of the analysis carried out, the Company concluded that all portfolios of financial instruments held by it were part of the concept of “Holding for obtaining contractual cash flows” provided for in IFRS 9.

Valuation of contractual cash flows

The evaluation of the contractual cash flows of a financial asset is carried out at the time of its initial recognition, in order to verify whether or not they correspond only to the receipt of capital and interest (SPPI - Solely Payments of Principal and Interest). For the purposes of this assessment, “capital” is defined as the fair value of the financial asset at its initial recognition. “Interest” corresponds to the consideration for the time value of the money, for the credit risk associated with the amount owed during a certain period of time and for other risks and costs associated with the activity (eg liquidity risk and administrative expenses), as well as a profit margin.

This assessment includes an analysis of the exposure of situations in which the contractual terms may modify the periodicity and the value of cash payments in such a way that they do not fulfil the conditions of use of only the capital payments and the interest calculated on the capital value in question (SPPI).

Financial assets at amortized cost

An asset is classified in this category if it cumulatively fulfils the following conditions:

- The financial asset is held in a business model whose main objective is to hold assets to collect its contractual cash flows; and
- Their contractual cash flows occur on specific dates and correspond only to payments of capital and interest on the amount owed (SPPI).

Financial assets at amortized cost are initially recognized at their fair value, plus transaction costs, and subsequently are measured at amortized cost. These assets are subject to the calculation of impairment losses for expected credit losses. Interest on financial assets at amortized cost is recognized in the “interest and similar income” account, based on the effective interest rate method.

Profit or losses generated at the time of derecognition are recorded in the caption “Income from financial assets and liabilities at amortized cost”.

Assets acquired within the scope of securitization operations are, by Originators, recorded at amortized cost taking into account contractual cash flows (SPPI) and the definition of the business model.

The Company has recorded financial assets (Investments in credit institutions and Credit to customers) at amortized cost in accordance with the classification rules of IFRS 9.

Financial assets at fair value through other comprehensive income

An asset is classified in this category if it cumulatively fulfils the following conditions:



- The asset is held in a business model where the objective is to collect your contractual cash flows and sell that financial asset;
- Their contractual cash flows occur on specific dates and correspond only to payments of capital and interest on the amount owed (SPPI).

Debt instruments at fair value through other comprehensive income are initially recognized at fair value, plus transaction costs, and are subsequently measured at fair value. Changes in fair value are recorded against other comprehensive income and, at the time of sale, accumulated gains or losses in other comprehensive income are reclassified to profit or loss. Debt instruments in this category are subject to impairment tests for expected credit losses. The estimated impairment losses are recognized in the income statement against other comprehensive income.

Interest, premiums or discounts on financial assets at fair value through other comprehensive income are recognized in the "interest and similar income" account, based on the effective interest rate method.

Impairment for equity instruments at fair value is not recognized through other comprehensive income, with the respective gains or losses recorded in other comprehensive income being transferred to retained earnings, at the time of their derecognition.

Financial assets at fair value through profit or loss

A financial asset is classified under this heading if the business model defined for its management, or the characteristics of its contractual cash flows do not meet the conditions of the assets measured at amortized cost or at fair value through other comprehensive income.

These assets are initially recognized at their fair value, with the costs associated with the transactions recognized in the income statement at the initial moment. Subsequent changes in fair value are recognized in the income statement. The periodification of interest and the premium / discount is recognized under the heading "interest and similar income", based on the effective interest rate, as well as the periodization of interest on derivatives. Dividends are recognized in the income statement when the right to receive them is attributed.

Hedge accounting

Classification criteria:

Derivative financial instruments used for hedging purposes can be classified as hedge accounting if they cumulatively comply with the following conditions:

At the start date of the transaction, the hedging relationship is identified and formally documented, including the identification of the hedged item, the hedging instrument and the assessment of the hedge effectiveness:

- There is an expectation that the hedge relationship will be highly effective, at the start date of the transaction and throughout the life of the operation;
- The effectiveness of the hedge can be reliably measured at the start date of the transaction and throughout the life of the operation; and
- For cash flow hedging operations, they must be highly likely to occur.

The Company classifies hedging derivatives as risk management derivatives.



There are three types of hedging relationships:

Fair value hedge: In a fair value hedge operation for an asset or liability (fair value hedge), the balance sheet value of that asset or liability, determined based on the respective accounting policy, is adjusted in order to reflect the change in its fair value attributable to the hedged risk. Changes in the fair value of hedging derivatives are recognized in the income statement, together with changes in the fair value of the hedged assets or liabilities, attributable to the hedged risk.

If the hedge no longer meets the criteria required for hedge accounting, the derivative financial instrument is transferred to the trading portfolio and hedge accounting is discontinued prospectively. If the hedged asset or liability corresponds to a fixed-income instrument, the revaluation adjustment is amortised until maturity using the effective interest rate method.

Cash flow hedge: In an operation to hedge the exposure to the variability of highly probable future cash flows (cash flow hedge), the effective part of the changes in the fair value of the hedge derivative is recognized in reserves, being transferred to results in the periods when the respective covered item affects results. The ineffective part of the hedge is recorded in the income statement.

Coverage of a liquid instrument in a foreign operation as defined in IAS 21.

Recognition and measurement

Derivative financial instruments are recognized on the trade date, at their fair value. Subsequently, the fair value of derivative financial instruments is revalued on a regular basis, with the gains or losses resulting from that revaluation being recorded directly in profit or loss for the year, except for hedging derivatives. The recognition of changes in the fair value of hedging derivatives depends on the nature of the hedged risk and the hedging model used.

The fair value of derivative financial instruments corresponds to their market value, when available, or is determined based on valuation techniques including discounted cash flow models and option valuation models, as appropriate.

When a hedging instrument expires or is sold, or when the hedge no longer meets the criteria required for hedge accounting, changes in the fair value of the derivative accumulated in reserves are recognized in the income statement when the hedged transaction also affects results. If it is anticipated that the hedged transaction will not take place, the amounts still recorded in equity are immediately recognized in the income statement and the hedging instrument is transferred to the trading portfolio.

Financial liabilities

An instrument is classified as a financial liability when there is a contractual obligation for its settlement to occur through the delivery of cash or another financial asset, regardless of its legal form.

These financial liabilities are recorded (i) initially at their fair value less transaction costs incurred and (ii) subsequently at amortized cost, based on the effective rate method, except for



short sales and financial liabilities designated at fair value through profit or loss, which are recorded at fair value.

The Company designates, in its initial recognition, certain financial liabilities as at fair value through profit or loss when:

- derivative operations are contracted in order to hedge these liabilities economically, thus ensuring consistency in the valuation of liabilities and derivatives (accounting mismatch); or,
- such financial liabilities contain embedded derivatives.

Other financial liabilities are all financial liabilities that are not recorded in the category of financial liabilities at fair value through profit or loss (financial liabilities held for trading). This category includes debt securities issued and loans.

Interest on debt securities is recognized based on the effective interest rate of the financial liability.

In situations where there is an associated premium or discount, the premium or discount is included in the calculation of the effective interest rate.

The debt securities allocated to the transactions also reflect the difference between the book value of the assets and liabilities allocated to the transaction, insofar as any excess of the values generated by the assets will be paid to the holder of the securities issued and any deficiency will be assumed by the same in the date of cancellation of operations.

3.1.1 Credit to customers

The item credit to customers includes assets acquired within the scope of securitization operations, for which there is no intention to sell in the short term, being recorded on the date on which the assets are acquired from originators / servicers.

Customer loans are initially recognized at their fair value, plus transaction costs, and are subsequently valued at amortized cost, based on the effective interest rate method, being presented in the Financial Position less impairment losses.

The classification of the credit portfolio is done by the originator / servicer, with the Company obtaining the confirmation of that classification by them.

Impairment

The Company's policy is to regularly assess the existence of objective evidence of impairment of the assets of its operations. The impairment losses identified are recorded in the income statement under the caption "Credit impairment" and are subsequently reversed through profit or loss if there is a reduction in the estimated loss amount, in a later period.

After initial recognition, an asset or a set of assets, defined as a set of assets with similar risk characteristics, can be classified as an impaired portfolio when there is objective evidence of impairment resulting from one or more events, and when they have impact on the estimated value of future cash flows of the asset or set of assets, which can be estimated reliably.



The recorded impairment is reported by the originators / servicers of the operations, calculated in accordance with the requirements of IFRS 9. The calculation made follows the methodology and model parameters of each originator / servicer. For operations in which the prospectus contains the "deemed principal loss" clause and that during the year there are contracts that comply with the "deemed principal loss" requirements, the Company recognizes additional credit impairment in relation to the amount initially reported by the originators / servicers.

IFRS 9 determines that the concept of impairment based on expected losses is applied to all financial assets except financial assets measured at fair value through profit or loss and equity instruments measured at fair value through equity.

Except for financial assets acquired or originated with impairment (referred to as POCD), impairment losses should be estimated through a provision for losses in an amount equal to:

- expected loss due to 12-month credit risk, that is, estimated total loss resulting from events of default of the financial instrument that are possible within 12 months after the reporting date (called Stage 1);
- or expected loss due to credit risk until maturity, that is, total estimated loss resulting from all possible events of default over the life of the financial instrument (referred to as Stage 2 and Stage 3). A provision for expected loss due to credit risk credit to maturity is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition or if the financial instrument is impaired.

3.1.2. Derecognition

The Company derecognizes financial assets when all rights to future cash flows or assets that have been transferred expire. In the context of an asset transfer, derecognition can only occur when substantially all the risks and benefits of the assets have been transferred or the Company has no control over them. The Company derecognizes financial liabilities when they are cancelled or extinguished.

The Company's activity is regulated by Decree-Law no. 453/99, which clearly defines the mandatory autonomous assets of each operation, the assets of each operation being solely responsible for the corresponding liabilities. The Company's assets cannot be allocated to any of the operations.

3.1.3. Reclassification between financial instrument categories

Financial assets are reclassified between categories only if the business model used in their management is changed.

The reclassification is applied prospectively from the date of the reclassification. The reclassification of equity instruments measured at fair value through other comprehensive income and financial assets designated at fair value through profit or loss is not permitted.

The Company did not carry out any reclassifications during the year of 2021.



3.2. Equity instruments

A financial instrument is classified as an equity instrument when there is no contractual obligation to settle it through the delivery of cash or other financial asset to third parties, regardless of its legal form, demonstrating a residual interest in an entity's assets after subtracting all its liabilities.

Transaction costs directly attributable to the issuance of equity instruments are recorded against equity as a reduction to the issuance amount. Amounts paid and received for the purchase and sale of equity instruments are recorded in equity, net of transaction costs.

Distributions made from equity instruments are subtracted from equity as dividends, when declared.

Supplementary capital contributions are classified as capital when the repayment occurs only by decision of the Company, and dividends are paid by the Company on a discretionary basis; otherwise, they are classified as financial liabilities.

3.3. Recognition of interest

Results related to interest from financial instruments measured at amortized cost and financial assets and liabilities recognized at fair value through profit or loss are recognized under the items "Interest and similar income" or "Interest and similar expenses" using the effective interest rate method.

The effective interest rate is the rate which discounts the estimated future payments or receipts over the financial instrument's expected lifetime (or for a shorter time period, when appropriate) from the present net balance sheet value of the financial asset or liability.

To determine the effective interest rate, future cash flows are estimated considering all of the financial instrument's contractual terms (e.g. early payment options), but not including potential impairment losses. The calculation includes fees paid or received comprising an integral part of the effective interest rate, transaction costs and all discounts or premiums directly related to the transaction.

In the case of financial assets or groups of similar financial assets for which impairment losses have been recognized, the interest recorded in the results is determined based on the interest rate used to subtract future cash flows in measuring the impairment loss.

For financial derivatives, except for those classified as interest rate risk hedging instruments from an accounting standpoint, the accrued interest component is not disassociated from changes in its fair value and is classified under Net gains / (losses) arising from financial assets and liabilities at fair value.

3.4. Recognition of income from services and fees

Income from services and fees is recognized according to the following criteria:

- when obtained as the services are being provided, they are recognized in the results in their corresponding period.
- when resulting from the provision of services, they are recognized when the service in question is complete.



Income from services and commissions when they are an integral part of the effective interest rate of a financial instrument are recorded using the effective interest rate method in the financial margin.

3.5. Net profit / losses arising from financial assets and liabilities at fair value

Net profit / losses arising from financial assets and liabilities at fair value record gains and losses, changes in fair value and accrued interest from derivatives.

3.6. Intangible Assets

Software

Costs incurred for the acquisition of software are capitalized, as well as additional expenses incurred by the Company for its deployment. These costs are amortized using the straight-line method over these assets' expected lifetime (3 years).

The costs of maintaining computer programs are recognized as expenses when they are incurred.

Research and development expenses

The Company did not incur in any expenses from research and development during the year of 2021.

3.7. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the amounts recorded in the Financial Position with a maturity of less than 3 months from the date of the Position Financial, which includes cash from other credit institutions

3.8. Offsetting

Financial assets and liabilities are offset, with their net value recorded in the balance sheet, when the Company is legally entitled to offset the amounts recognized and the transactions may be settled at their net value.

3.9. Taxes on profits

The Company is subject to the tax regime set out in the Corporate Income Tax Code (CIRC).

The total income tax recorded in the income statement includes current and deferred taxes.

Current tax is determined based on the taxable profit for the period, calculated in accordance with the tax rules in force, which corresponds to the accounting result adjusted for costs or income not relevant for tax purposes.

Deferred tax assets and liabilities correspond to the amount of tax recoverable and payable in future periods resulting from temporary differences between the value of an asset or liability on the balance sheet and its tax base. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized only to the extent that it is expected that there will be taxable profits in the future capable of absorbing the deductible temporary



differences and the tax losses to be used in the future. Deferred taxes are calculated based on the tax rates that are expected to be in force in the period in which the respective asset is expected to be realized or the liability to be settled.

The Company proceeds, as established in IAS 12, paragraph 74, to offset deferred tax assets and liabilities whenever: (i) it has the legally enforceable right to offset current tax assets and current tax liabilities; and (ii) deferred tax assets and liabilities relate to income taxes posted by the same tax authority on the same taxable entity or different taxable entities that intend to settle current tax liabilities and assets on a net basis, or realize the assets and settle the liabilities simultaneously, in each future period in which the deferred tax liabilities or assets are expected to be settled or recovered.

3.10. Reporting by segments

A business segment is an identifiable component of the Company aimed at providing an individual product or service or group of related products or services, and which is subject to risks and benefits which differ from other business segments.

Each of the transactions, separated for accounting purposes with clearly differentiated risks and benefits, together with the component of the Company not directly affecting any of the transactions, are identified as distinct segments of the Company. On 31st December 2021 and 31st December 2020, respectively, these segments were as follows:

- Tagus – Sociedade de Titularização de Créditos, S.A.;
- Aqua Finance No. 4
- Aqua Mortgage No. 1;
- Chaves Funding No. 8;
- EnergyOn No. 1 Securitisation Notes;
- EnergyOn No. 2 Securitisation Notes;
- Green Belém No. 1;
- Next Funding No. 1;
- Nostrum Mortgages No. 2;
- Pelican Finance No. 1;
- Silk Finance No. 4;
- Silk Finance No. 5;
- Ulisses Finance No. 2;
- Victoria Finance No. 1;
- Viriato Finance No. 1;
- Volta IV Electricity Receivables Securitisation Notes;
- Volta V Electricity Receivables Securitisation Notes;
- Volta VI Electricity Receivables Securitisation Notes;
- Volta VII Electricity Receivables Securitisation Notes;

The detail of each transaction is shown in note 28.

3.11. Provisions

Provisions are recognized when (i) the Company has a present obligation (legal or arising from past practices or published policies entailing the recognition of certain responsibilities), (ii) it is likely that their payment will be demanded, and (iii) when the value of the obligation can be reliably estimated.



Provisions are revised at the end of each reporting date and adjusted to reflect the best estimate, then reversed from results proportionally for payments which are not likely.

Provisions are derecognized through their use or reversal for the obligations for which they were initially established.

3.12. Accounting estimates in the use of accounting policies

The IFRS have established a collection of accounting procedures requiring that the Board of Directors make judgements and estimates as needed to decide on the most appropriate accounting method. The main accounting estimates and judgements employed in applying the Company's accounting principles are analysed as follows, to provide a better understanding of how they affect the results reported by the Company and their disclosure.

Whereas in some situations accounting standards allow for an alternative accounting procedure in relation to the one adopted by the Board of Directors, the results reported by the Company could differ if a different method were chosen. The Board of Directors believes that the criteria employed are appropriate, and that the financial statements provide a true and fair view of the Balance Sheet of the Company and its transactions in all materially relevant aspects.

The results of alternatives subsequently analysed are shown merely to assist the reader in understanding the financial statements and are not intended to suggest that other alternatives or estimates are more appropriate.

Impairment losses on Loans to customers

The Company determines impairment losses based on rates and information provided by Originators and / or Servicers of assets referring to securitized portfolios and portfolios with similar characteristics, as well as market information, as referred to in accounting policy 3.1.1.

Fair value of financial derivatives

Fair value is based on market prices, when available; otherwise, it is determined using prices from recent similar transactions performed under market conditions or based on assessment methodologies which use future discounted cash flow techniques which consider market conditions, the effect of time, the yield curve and volatility factors. These methodologies may require the use of assumptions or judgements in estimating fair value.

Consequently, the use of different methodologies, assumptions, or judgements in applying a given model could produce financial results different from the reported ones.

Taxes on profits

Certain interpretations and estimates had to be made to determine the total amount of taxes on profits. There are various transactions and calculations for which determining taxes payable is uncertain during the normal business cycle.

Other interpretations and estimates could result in a different level of taxes on profits recognized in the year, both current and deferred.

The tax authorities have the power to review the taxable amount calculated by the Company for four years, or six years in the case of reportable tax losses.



As such, there may be corrections to the taxable amount, primarily resulting from differences in interpreting tax legislation. However, the Company's Board of Directors is confident that there will be no major corrections to the taxes on profits recorded in the financial statements.

3.13. New standards

During the year of 2021, the Company adopted the following changes to the rules that became effective on 1st January 2021:

IFRS 9, IAS 39 e IFRS 7

As the reference interest rate reform process (“IBOR reform”) is still in progress in the different financial markets, the changes to the standards introduced by the IASB, in this second phase, amendments address issues that might arise in the accounting of financial instruments indexed to these rates due to the replacement of an interest rate benchmark with an alternative, and provide the application of exemptions such as:

- (a) Changes in hedge designation and documentation;
- b) Recycling of amounts accumulated in the cash flow hedge reserve;
- c) Retrospective assessment of the effectiveness of a hedging relationship under IAS 39;
- d) Changes in hedging relationships for groups of instruments;
- e) Presumption that an alternative reference rate designated as a risk component not contractually specified, is separately identifiable and qualifies as a hedged risk; and
- f) Update the effective interest rate, without recognizing gains or losses, for financial instruments measured at amortized cost with changes in contractual cash flows as a result of the reform of the reference interest rates, a situation that also applies to lease liabilities that are indexed to a reference interest rate.

These standards and interpretations were not adopted in advance by the Company

4 Net interest income

On 31st December 2021 and 2020, this heading was made up as follows:

Description	2021			2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
<i>(Expressed in EUR)</i>						
Interest and similar income						
Interest from loans and advances	271 986 292	-	271 986 292	209 944 418	-	209 944 418
Interest from deposits	-	-	-	16 254	-	16 254
Portfolio acquisition premium	(8 145 754)	-	(8 145 754)	(8 544 981)	-	(8 544 981)
Other Interest	265 957	-	265 957	323 346	-	323 346
	264 106 494	-	264 106 494	201 739 037	-	201 739 037
Interest expenses and similar charges						
Interest from debt securities issued	(237 777 569)	-	(237 777 569)	(176 969 476)	-	(176 969 476)
Interest from deposits	(834 381)	-	(834 381)	(628 975)	-	(628 975)
Interest from other financial liabilities	-	(82 356)	(82 356)	-	(95 356)	(95 356)
Premium bond issue	(171 357)	-	(171 357)	(38 768)	-	(38 768)
	(238 783 307)	(82 356)	(238 865 663)	(177 637 219)	(95 356)	(177 732 575)
Net income	25 323 187	(82 356)	25 240 831	24 101 818	(95 356)	24 006 462

The detail of each transaction is shown in note 28.



5 Results from services and fees

On 31st December 2021 and 2020, this heading was made up as follows:

Description	2021			2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
<i>(Expressed in EUR)</i>						
Fees and comission income						
<i>Management fees:</i>						
Aqua Mortgage No. 1	-	11 429	11 429	-	12 959	12 959
Aqua Finance No.4	-	70 141	70 141	-	70 166	70 166
Chaves Funding No. 8	-	72 656	72 656	-	69 421	69 421
Green Bekem No. 1	-	80 000	80 000	-	91 667	91 667
Pelican Finance No. 1	-	5 080	5 080	-	21 726	21 726
Next Funding No. 1	-	87 500	87 500	-	-	-
Nostrum Mortgages No. 2	-	203 724	203 724	-	232 117	232 117
Silk Finance No. 4	-	3 313	3 313	-	21 044	21 044
Silk Finance No. 5	-	61 903	61 903	-	66 652	66 652
EnergyOn No. 1 Securitisation Notes	-	35 396	35 396	-	44 608	44 608
EnergyOn No. 2 Securitisation Notes	-	19 776	19 776	-	24 959	24 959
Ulysses Finance Nº 2	-	31 416	31 416	-	-	-
Victoria Finance No. 1	-	34 667	34 667	-	116 667	116 667
Viriato Finance Nº 1	-	42 500	42 500	-	-	-
Volta IV Electricity Receivables Securitisation Notes	-	167	167	-	14 556	14 556
Volta V Electricity Receivables Securitisation Notes	-	14 199	14 199	-	36 685	36 685
Volta VI Electricity Receivables Securitisation Notes	-	40 390	40 390	-	64 588	64 588
Volta VII Electricity Receivables Securitisation Notes	-	61 235	61 235	-	78 122	78 122
	-	875 495	875 495	-	965 936	965 936

This item includes the fees charged by the Company in connection with the management of operations. The amounts are charged to each of the operations in accordance with the contract.

6 Net gains / (losses) arising from financial assets and liabilities at fair value through profit or loss

On 31st December 2021 and 2020, this heading was made up as follows:

Description	2021			2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
<i>(Expressed in EUR)</i>						
Gains arising from financial assets and liabilities at fair value through profit and loss						
Financial assets held-for-trading - Swaps	22 813 620	-	22 813 620	35 700 985	-	35 700 985
Other gains arising from financial operations	33 278 792	-	33 278 792	60 169 077	-	60 169 077
Losses arising from financial assets and liabilities as fair value through profit and loss						
Financial assets held-for-trading - Swaps	(29 314 653)	-	(29 314 653)	(40 476 712)	-	(40 476 712)
Other losses arising financial operations	(21 497 570)	-	(21 497 570)	(30 692 103)	-	(30 692 103)
Net gains / (losses) arising from financial assets and liabilities at fair value through profit and loss	5 280 188	-	5 280 188	24 701 248	-	24 701 248

The item "Gain / Losses in transactions with financial assets and liabilities held for trading – swaps" includes changes in fair value and interest accrued from financial derivatives.

The items "Other gains and losses in financial operations" include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 18).

The detail of each transaction is shown in note 28.



7 Staff costs

On 31st December 2021 and 2020, this heading was made up as follows:

Description	<i>(Expressed in EUR)</i>					
	2021			2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Wages and salaries	-	13 000	13 000	-	13 000	13 000
Mandatory social charges	-	2 639	2 639	-	2 639	2 639
	-	15 639	15 639	-	15 639	15 639

The item "Wages and salaries", amounting € 13.000 (2020: € 13.000), refers to remuneration for the members of the Audit Committee.

The cost of remuneration for employees and members of the Board of Directors, allocated to the Company, is reflected in the Service Level Agreement ("SLA") signed with Deutsche Bank AG Portugal branch (note 8).

8 General and administrative expenses

On 31st December 2021 and 2020, this heading was made up as follows:

Description	<i>(Expressed in EUR)</i>					
	2021			2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Agent bank fee	55 587	-	55 587	74 880	-	74 880
Arranger fee	422 420	-	422 420	907 920	-	907 920
Judicial costs	-	21 643	21 643	-	35 445	35 445
Audit fee	321 695	3 444	325 139	358 072	(11 562)	346 510
CMVM	177 006	-	177 006	170 839	-	170 839
Euronext	158 155	-	158 155	110 633	-	110 633
Fees	-	1 894	1 894	-	-	-
Interbolsa	150 650	-	150 650	154 701	-	154 701
Irish stock exchange fee	-	-	-	-	-	-
Issuer fee	883 124	-	883 124	948 642	-	948 642
Legal fee	609 128	-	609 128	811 815	-	811 815
Paying Agent fee	44 980	-	44 980	31 200	-	31 200
Rating Agency fee	995 685	-	995 685	1 410 441	-	1 410 441
Service fee	5 850 615	-	5 850 615	5 423 581	-	5 423 581
Service Level Agreement	-	375 086	375 086	-	370 289	370 289
Transaction Manager	665 471	-	665 471	535 246	-	535 246
Others	1 101 833	31 556	1 133 388	625 190	12 388	637 578
General and administrative costs	11 436 350	433 623	11 869 972	11 563 160	406 560	11 969 720

The expenses with the Service Fee refer to the amounts charged by Servicers (entity responsible for managing the credits) to the operations, namely their collection and recovery in case of non-compliance.

The expenses charged by the Transaction Manager to each of the operations are in the scope of account management and administration, collection management, etc., according to the documentation of each operation.

The Company entered into a Service Level Agreement ("SLA") with Deutsche Bank AG Sucursal in Portugal and Navigator SGFTC, S.A., which defines the terms under which these entities provide services to the Company. The expenses related to the Service Level Agreement ("SLA") correspond in 2021 to Euros 375,086 (2020: Euros 370,289)



Other expenses encompass expenses with “Commitment fee” paid by the Chaves Funding No. 8 operation to the Class A, which matches the respective documentation, corresponding this expense to Euros 533,463 (2020: Euros 535,398).

The fees charged by the Statutory Auditor for the services provided with the Legal Review of the Company's Accounts for the period of 2021 amounted to Euros 290,000 (without VAT).

The detail of each transaction is shown in note 28.

9 Impairment losses on loans to customers

On 31st December 2021 and 2020, this heading was made up as follows:

Description	2021			2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Impairment losses	(46 044 363)	-	(46 044 363)	(57 648 959)	-	(57 648 959)
Reversals of impairment losse	26 877 337	-	26 877 337	20 409 053	-	20 409 053
	(19 167 026)	-	(19 167 026)	(37 239 907)	-	(37 239 907)

10 Income tax

In 2021 and 2020, the amount of income taxes paid, together with the tax burden, measured by the relationship between the allocation of taxes and annual profit prior to this allocation, is analysed as follows:

Description	2021		2020	
	Value	Tax Rate	Value	Tax Rate
Income Taxes				
For the period	77 372		100 886	
Previous years corrections	-		-	
Total income taxes	77 372		100 886	
Income before taxes	343 876		448 381	
Tax rate		22.5%		22.5%

The reconciliation between the nominal tax rate and the tax burden in the years 2021 and 2020, together with the reconciliation between the tax loss / gain and the accounting profit through the nominal tax rate, is analysed as follows:

Description	2021		2020	
	Tax Rate	Value	Tax Rate	Value
Income before taxes	0	343 876	0	448 381
Tax calculated based on current tax rate	21.0%	72 214	21.0%	94 160
Pour	1.5%	5 158	1.5%	6 726
Correction from previous years	0.0%	0	0.0%	0
Other	0.0%	0	0.0%	0
Tax charge	22.5%	77 372	22.5%	100 886



11 Deposits at other Credit Institutions

On 31st December 2021 and 2020, this heading was made up as follows:

(Expressed in EUR)

Description	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Deposits	198 015 913	4 875 488	202 891 401	199 768 384	5 600 191	205 368 575
Cash reserve	114 818 090	-	114 818 090	128 865 309	-	128 865 309
Liquidity Account	978 473	-	978 473	2 082 588	-	2 082 588
	313 812 476	4 875 488	318 687 964	330 716 281	5 600 191	336 316 472

The item “Deposits” corresponds to a deposit at Deutsche Bank AG-Portugal branch in the amount of € 4.875.488 (2020: Euros 5.600.191).

The detail of each transaction is shown in note 28.

12 Balances due from other Credit institutions

On 31st December 2021 and 2020, this heading was made up as follows:

(Expressed in EUR)

Description	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Deposits at other Credit Institutions	17 975 517	-	17 975 517	20 832 553	-	20 832 553
	17 975 517	-	17 975 517	20 832 553	-	20 832 553

The balance of this account as of 31st December 2021 corresponds to the margin account of Nostrum No 2 transactions under the contractually agreed swap.

The detail of each transaction is shown in note 28.

13 Loans to customers

On 31st December 2021, this heading was made up as follows:

(Expressed in EUR)

Description	31-12-2021								
	Loans	Overdue Loans	Accrued Interest	Overdue Interest	Impairment	Portfolio Acquisition premium	Total Operations	Tagus	Total
Aqua Finance No.4	45 010 156	2 510 847	103 076	106 201	(3 040 552)	-	44 689 729	-	44 689 729
Aqua Mortgage No.1	67 658 717	43 639	18 416	5 877	(683 989)	-	67 042 660	-	67 042 660
Chaves Funding No.8	289 784 476	697 058	1 172 994	346 440	(11 194 327)	-	280 806 642	-	280 806 642
Green Belem No. 1	298 396 919	872	385 749	883	(18 136)	-	298 766 287	-	298 766 287
Pelican Finance No.1	-	-	-	-	-	-	-	-	-
Next Funding No. 1	292 303 955	684 959	-	149 681	(6 615 018)	(12 243)	286 511 333	-	286 511 333
Nostrum Mortgage No.2	2 560 716 344	967 886	412 745	10 186	(833 317)	-	2 561 273 845	-	2 561 273 845
Silk Finance No.4	-	-	-	-	-	-	-	-	-
Silk Finance No.5	567 607 391	1 184 308	1 721 392	250 391	(5 645 799)	-	565 117 685	-	565 117 685
Ulysses Finance Nº 2	244 423 312	59 834	988 924	39 700	(2 044 000)	-	243 467 769	-	243 467 769
Victoria Finance No. 1	522 800 118	425 037	-	851 557	(13 818 685)	-	510 258 027	-	510 258 027
Variato Finance Nº 1	146 046 380	56 631	-	41 459	(2 809 603)	-	143 334 867	-	143 334 867
EnergyOn No.1	296 593 697	-	-	-	-	-	296 593 697	-	296 593 697
EnergyOn No.2	104 035 721	-	-	-	-	-	104 035 721	-	104 035 721
Volta IV Electricity Receivables Securitisation Notes	-	-	-	-	-	-	-	-	-
Volta V Electricity Receivables Securitisation Notes	12 388 241	-	-	-	-	222 178	12 610 419	-	12 610 419
Volta VI Electricity Receivables Securitisation Notes	177 297 645	-	-	-	-	1 367 503	178 665 148	-	178 665 148
Volta VII Electricity Receivables Securitisation Notes	216 607 507	-	-	-	-	1 658 099	218 265 606	-	218 265 606
	5 841 670 578	6 631 071	4 803 296	1 802 377	(46 703 425)	3 235 537	5 811 439 434	-	5 811 439 434



On 31st December 2020, this heading was made up as follows:

(Expressed in EUR)

Description	31-12-2020						Total Operations	Tagus	Total
	Loans	Overdue Loans	Accrued Interest	Overdue Interest	Impairment	Portfolio Acquisition premium			
Aqua Finance No.4	73 919 617	2 901 004	177 421	120 761	(3 556 614)	-	73 562 188	-	73 562 188
Aqua Mortgage No.1	75 972 446	41 586	24 987	7 535	(783 293)	-	75 263 259	-	75 263 259
Chaves Funding No.8	456 895 098	562 137	1 383 455	334 794	(9 302 099)	-	449 873 386	-	449 873 386
Green Belem No. 1	350 284 147	246	484 330	251	(20 350)	-	350 748 625	-	350 748 625
Pelican Finance No.1	69 499 440	4 583 560	198 544	571 451	(7 251 443)	-	67 601 551	-	67 601 551
Next Funding No. 1	-	-	-	-	-	-	-	-	-
Nostrum Mortgage No.2	2 811 861 143	1 005 374	1 653 600	44 496	(6 644 827)	-	2 807 919 786	-	2 807 919 786
Silk Finance No.4	-	-	-	-	-	-	-	-	-
Silk Finance No.5	573 903 322	277 336	-	95 840	(3 523 066)	-	570 753 432	-	570 753 432
Energy On No.1	389 849 320	-	-	-	-	-	389 849 320	-	389 849 320
Energy On No.2	136 746 851	-	-	-	-	-	136 746 851	-	136 746 851
Ulysses Finance N° 2	-	-	-	-	-	-	-	-	-
Victoria Finance No. 1	526 277 923	219 454	-	447 949	(21 805 033)	-	505 140 293	-	505 140 293
Viriato Finance N° 1	-	-	-	-	-	-	-	-	-
Volta IV Electricity Receivables Securitisation Notes	12 688 231	-	-	-	-	-	12 688 231	-	12 688 231
Volta V Electricity Receivables Securitisation Notes	160 818 615	-	-	-	-	1 995 120	162 813 735	-	162 813 735
Volta VI Electricity Receivables Securitisation Notes	338 536 057	-	-	-	-	3 095 966	341 632 023	-	341 632 023
Volta VII Electricity Receivables Securitisation Notes	318 856 140	-	-	-	-	2 632 766	321 488 906	-	321 488 906
	6 296 108 349	9 590 697	3 922 337	1 623 077	(52 886 725)	7 723 852	6 266 081 587	-	6 266 081 587

The characteristics of the portfolios of the various transactions are analysed in note 28.

The breakdown of the loan's impairment is as follows:

(Expressed in EUR)

Description	31-12-2021	31-12-2020
<i>Loans Impairment</i>		
Balance on 1 January	(52 886 725)	(23 874 818)
Impairment losses	(46 044 363)	(57 648 959)
Reversals of impairment losses	26 877 338	20 409 053
Loans Written-off	25 350 324	8 227 998
Balance on 31 December	(46 703 425)	(52 886 725)

14 Financial assets held for trading

On 31st December 2021 and 2020, this heading was made up as follows:

(Expressed in EUR)

Description	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Swaps	7 105 453	-	7 105 453	1 123 089	-	1 123 089
	7 105 453	-	7 105 453	1 123 089	-	1 123 089

The caption financial assets held for trading the fair value of the derivatives including the respective interest racing, as referred to in the accounting policy described in Note 3.1 and detailed by Note 28.

As of 31 december 2021, the operation that holds derivatives in this caption is Silk N°5 and Ulysses Finance No. 2, for which the the counterparty is Banco Santander S.A and Deutsche Bank AG respectively.

According to the requirements of IFRS 7, the fair value of the derivatives are classified as level 2.



The analysis of financial assets held for negotiation, on 31st december 2021, is presented as follows:

Description	Notional with remaining term			Fair value		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Swaps	835 700 000	-	835 700 000	7 105 453	-	7 105 453
	835 700 000	-	835 700 000	7 105 453	-	7 105 453

(Expressed in EUR)

15 Other assets

On 31st December 2021 and 2020, this heading was made up as follows:

Description	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Public Sector	-	12 093	12 093	-	-	-
Receivables	30 655 648	-	30 655 648	19 614 400	-	19 614 400
Up front fee	12 164	-	12 164	16 593	-	16 593
Issuer fee	-	87 427	87 427	-	79 027	79 027
Other	-	1 069	1 069	-	4 630	4 630
	30 667 812	100 589	30 768 401	19 630 993	83 657	19 714 650

(Expressed in EUR)

The item "Receivables", corresponds, largely, to the amounts of principal and interest to be received from the servicers of Silk Finance No 5 (Euros 16.678.858), Chaves Funding No.8 (Euros 3.929.383) and Ulisses Finance N°2 (Euros 3.631.476).

The detail of each transaction is shown in note 28.

16 Other Loans

On 31st December 2021 and 2020, this heading was made up as follows:

Description	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Loans	36 182 264	-	36 182 264	-	-	-
<i>Other financial liabilities</i>	36 182 264	-	36 182 264	-	-	-

(Expressed in EUR)

The balance of this account relates to the financing obtained by the Next Funding No. 1 from the CTT, S.A. Bank.



17 Financial liabilities held for trading

On 31st December 2021 and 2020, this heading was made up as follows:

Description	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
	Swaps	17 888 746	-	17 888 746	29 172 334	-
	17 888 746	-	17 888 746	29 172 334	-	29 172 334

(Expressed in EUR)

In "Financial liabilities held for trading" records the fair value of derivatives, including accrued interest, as described in the accounting policy in note 3.1 and detailed by transaction in note 28.

As of 31st December 2021, the operations that contain derivatives are EnergyOn No.1, EnergyOn No.2, Green Belem No.1, Nostrum Mortgage No.2 and Viriato Finance No.1. EnergyOn 1's counterparty is Deutsche Bank AG, Viriato No. 1 is BNP Paribas and for the rest of the operations the counterparty is Banco Santander, S.A.

In accordance with the requirements of IFRS 7, the fair value of derivatives is classified as level 2.

The breakdown of "Financial liabilities held for trading" on 31st December 2021, is as follows:

Description	Notional with remaining term			Fair Value		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
	Swaps	3 271 335 446	-	3 271 335 446	(10 042 973)	-
	3 271 335 446	-	3 271 335 446	(10 042 973)	-	(10 042 973)

(Expressed in EUR)

The breakdown of "Financial liabilities held for trading" on 31st December 2020, is as follows:

Description	Notional with remaining term			Fair Value		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
	Swaps	3 513 511 621	-	3 513 511 621	(26 949 352)	-
	3 513 511 621	-	3 513 511 621	(26 949 352)	-	(26 949 352)

(Expressed in EUR)

The detail of each transaction is shown in note 28.

18 Debt securities issued

On 31st December 2021 and 2020, this heading was made up as follows:

Description	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
	<i>Debt securities issued</i>					
Securitisation notes	6 068 251 329	-	6 068 251 329	6 575 903 744	-	6 575 903 744
Accrued interest	44 116 100	-	44 116 100	32 562 804	-	32 562 804
Issued notes premium	4 433 096	-	4 433 096	849 005	-	849 005
Issued notes discount	-	-	-	-	-	-
Others	(53 098 120)	-	(53 098 120)	(64 301 943)	-	(64 301 943)
	6 063 702 405	-	6 063 702 405	6 545 013 609	-	6 545 013 609

(Expressed in EUR)

The item "Others" corresponds to the estimated shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.



The detail of issued debt securities, by transaction, and the respective maturity has the following breakdown:

Description	Maturity	(Expressed in EUR)	
		31-12-2021	31-12-2020
		Total Operations	Total Operations
Aqua Finance No.4	June 2035	54 101 030	83 732 353
Aqua Mortgage No.1	December 2063	69 905 770	78 279 109
Chaves Funding No.8	November 2034	288 434 189	457 411 991
Green Belem No. 1	March 2063	307 697 629	361 333 597
Next Funding No. 1	December 2033	258 385 129	-
Nostrum Mortgage No.2	May 2065	2 681 846 574	2 927 819 358
Pelican Finance No.1	December 2028	-	85 196 240
Silk Finance No.5	February 2035	621 468 952	612 856 210
EnergyOn No.1	May 2025	302 587 287	392 574 549
EnergyOn No.2	May 2025	106 669 381	138 305 568
Ulisses Finance N° 2	September 2038	255 399 597	-
Victoria Finance No. 1	October 2035	520 835 863	517 474 802
Viriato Finance N° 1	October 2040	149 816 775	-
Volta IV Electricity Receivables Securitisation Notes	February 2021	-	26 073 738
Volta V Electricity Receivables Securitisation Notes	February 2022	25 505 906	176 053 073
Volta VI Electricity Receivables Securitisation Notes	February 2023	193 154 987	356 595 634
Volta VII Electricity Receivables Securitisation Notes	February 2024	227 893 336	331 307 387
		6 063 702 405	6 545 013 609

In 2021, Pelican Finance No.1 settled in advance and reimbursed the totality of bonds .

The detail of each transaction is shown in note 28.

19 Other financial liabilities

On 31st December 2021 and 2020, this heading was made up as follows:

Subordinated supplementary contributions				31-12-2021			31-12-2020		
Minutes	Issue Date	Maturity		Amount	Interest	Total	Amount	Interest	Total
		Date	Interest Rate						
19/2010	July-2010	July-2020	E12M+3%	-	-	-	-	39 291	39 291
21/2010	Nov-2010	Nov-2020	E12M+3%	-	-	-	-	2 305	2 305
22/2010	Dec-2010	Dec-2020	E12M+3%	-	-	-	-	36 986	36 986
23/2011	Feb-2011	Feb-2021	E12M+3%	-	-	-	-	41 163	41 163
24/2011	Mar-2011	Mar-2021	E12M+3%	-	-	-	-	61 099	61 099
26/2011	June-2011	June-2021	E12M+3%	-	-	-	-	17 748	17 748
28/2011	Nov-2011	Nov-2021	E12M+3%	-	-	-	-	1 272	1 272
44 (24/04/2020)	-	-	E12M+3%	3 260 667	82 357	3 343 024	-	-	-
				-	-	-	-	-	-
				3 260 667	82 357	3 343 024	-	199 864	199 864

The amounts recognized under this item correspond to subordinated supplementary contributions which were considered other financial liabilities from an accounting standpoint, as described in accounting policy 3.2.

During 2021 and based on the provisions of IAS 32 – Financial Instruments, the Company reclassified supplementary capital contributions to the heading of other financial liabilities, which were presented, in 2020, under the heading of equity.



This reclassification results from the fact that they started to be remunerated, although they do not have a defined maturity and are subject to early repayment with authorization from the Portuguese Securities Market Commission. They were made by the sole shareholder with annual remuneration based on results subject to shareholder distribution and generated in the reference year of the remuneration, at an interest rate corresponding to the 12-month Euribor plus 3%. Interest will be paid annually.

These amounts correspond to the Company's equity, which is sufficient to meet the prudential ratios related to equity pursuant to article 71.ºM of the RGOIC - Article 19 and Article 43 of the Legal Regime of the Credit Securitization as amended by Decree Law no. 144/2019.

20 Other liabilities

On 31st December 2021 and 2020 this heading was made up as follows:

Description	(Expressed in EUR)					
	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Public Sector	-	79 666	79 666	-	127 672	127 672
Accrued Expenses:	-	-	-	-	-	-
Judicial costs	-	3 383	3 383	-	3 383	3 383
Service Level Agreement	-	455 456	455 456	-	780 295	780 295
Audit fee	172 016	3 444	175 460	183 589	3 444	187 033
Service fee	356 444	-	356 444	366 842	-	366 842
Issuer fee	82 938	-	82 938	68 472	-	68 472
Agent bank fee	6 673	-	6 673	7 107	-	7 107
Transaction Manager	38 419	-	38 419	41 472	-	41 472
Amounts payable	43 041 666	-	43 041 666	40 516 765	-	40 516 765
CMVM	-	-	-	-	-	-
Others	19 529 121	193 941	19 723 062	23 014 313	214 228	23 228 541
Differed income:	-	-	-	-	-	-
Up front fees	-	74 244	74 244	-	73 610	73 610
Moratoriums	-	-	-	-	-	-
	63 227 277	810 134	64 037 411	64 198 559	1 202 631	65 401 190

On 31st December 2021, the item "Public Sector" was € 2.851 for stamp duty, € 76.815 for VAT payable.

The Company signed a Service Level Agreement ("SLA") with Deutsche Bank AG Portugal branch and with Navegador SGFTC, S.A. establishing the terms under which these entities provide services to the Company.

The value reported in the Payables item at the end of each year refers to the amount of credit portfolio acquired in the last month of the year and settled in the following year. The amounts presented refer to the Victoria Finance No. 1 operation.

The item "Other" corresponds to the margin account for the Nostrum Mortgage No. 2 Operation. The item "Upfront fee" is for the amounts to be recognized, in the results, for the fee paid at the start of each transaction by originators for the services performed by the Company for the various transactions.

The detail of each transaction is shown in note 28.



21 Share capital and other equity instruments

As described in note 1, the Company's share capital of Euros 250,000 is represented by 50,000 shares with a nominal value of Euros 5 each.

Capital Management

The Company proactively manages capital to hedge against the inherent risks of its business, maintaining legally required levels under legislation applicable to securitization companies. Capital adequacy is monitored periodically and whenever securitized bonds are issued.

In 2021 and 2020, the Company complied with legally required capital levels.

On 31st December 2021, the fulfilment of these ratios can be demonstrated as follows:

Operation	Outstanding bonds 2021
Aqua Finance No.4	54 374 340
Aqua Mortgage No.1	70 541 828
Chaves Funding No.8	297 622 150
Green Belem No. 1	308 158 908
Pelican Finance No.1	-
Next Funding No. 1	264 794 406
Nostrum Mortgage No.2	2 683 401 767
Silk Finance No.5	603 301 001
Ulysses Finance Nº 2	251 276 000
Victoria Finance No. 1	528 028 657
Viriato Finance Nº 1	151 400 000
EnergyOn No.1	304 097 567
EnergyOn No.2	105 154 849
Volta IV Electricity Receivables Securitisation Notes	-
Volta V Electricity Receivables Securitisation Notes	25 578 655
Volta VI Electricity Receivables Securitisation Notes	193 146 147
Volta VII Electricity Receivables Securitisation Notes	227 375 054
	6 068 251 329

**Calculation of own funds****(a1) Paragraph (a) of number 1 of the article 71.º-M RGOIC**

(i) The amount based on general expenses as of December 31, 2020 : 422 119

(a2) Paragraph (a) of number 1 of the article 71.º-M RGOIC

(ii) a quarter of the previous year's expenses : 105 530

(b) Paragraph (b) of number 1 of the article 71.º-M RGOIC

(i) The minimum initial capital amount : 125 000

(c) Paragraph (c) of number 1 of the article 71.º-M RGOIC

(i) Global net value of the portfolio under management 6 068 251 329

(ii) Amount in which the amount in (i) exceeds the amount of € 250,000,000 : 5 818 251 329

(iii) 0.02% of the value in (ii) : 1 163 650

(iv) Sum of the value in (iii) and the minimum initial capital : 1 288 650

Required Own Funds (highest value between a, b, c) 1 288 650

(Expressed in EUR)

Own Funds	Amount
Share Capital	250 000
Other equity instruments	3 260 667
Reserves and Retained earnings	268 675
Results from previous years	37 741
Net income for the period	266 505
Own Funds	4 083 587
Surplus / (inadequacy)	2 794 937

22 Reserves and retained earnings

On 31st December 2021 and 2020, this heading was made up as follows:

Description	<i>(Expressed in EUR)</i>					
	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Legal Reserves	-	268 674	268 674	-	268 674	268 674
Retained earnings	-	37 741	37 741	-	154 515	154 515
	-	306 415	306 415	-	423 190	423 190

Under Portuguese legislation, the Company must reinforce its legal reserve annually by at least 5% of annual net profits, until reaching 20% of share capital, normally not subject to distribution.



23 Off-balance sheet elements

On 31st December, de 2021 and 2020, off-balance sheet elements were as follows:

Description	(Expressed in EUR)					
	31-12-2021			31-12-2020		
	Total Operations	Tagus	Total	Total Operations	Tagus	Total
Credits Written-off	32 986 110	-	32 986 110	52 992 376	-	52 992 376
Assets received as collateral	4 661 042 008	-	4 661 042 008	4 988 714 232	-	4 988 714 232
Swap interest rate	4 107 035 446	-	4 107 035 446	4 100 511 621	-	4 100 511 621
	8 801 063 564	-	8 801 063 564	9 142 218 230	-	9 142 218 230

24 Fair Value

Fair value is based on market prices, whenever they are available. If not, fair value is estimated using internal models based on cash flow discounting techniques.

Cash flows are generated based on the respective financial characteristics, and the discount rates employed incorporate the market's yield curve and other market factors, if applicable.

Therefore, the fair value obtained is influenced by the parameters employed in the valuation model (which must include a certain degree of subjectivity), and exclusively reflects the amount attributed to the various financial instruments. However, it does not include forward-looking factors such as future business developments.

As such, the amounts shown cannot be construed as an estimate of the Company's economic value.

The main methods and assumptions for estimating the fair value of financial assets and liabilities are shown as follows:

Deposits at other Credit Institutions

In view of the extremely short term associated with these financial instruments, the balance sheet value is a reasonable estimate of their fair value.

Financial assets and liabilities held for trading

These financial instruments are recorded at fair value. Fair value is based on market prices, whenever they are available. If not, the fair value is calculated using numeric models based on cash flow discounting techniques which, to estimate fair value, use market yield curves adjusted by associated factors (predominately credit and liquidity risk) determined in accordance with market conditions and the respective terms.

Loans to customers

The fair value of these financial instruments is calculated based on updating the expected future cash flows of principal and interest for the instruments in question. Payments are considered to have occurred on their contractually determined dates. The discount rate used reflects the current market rates for each homogeneous class of this type of instrument with a similar residual maturity.



One of the main factors causing the fair value of a loan to differ from its amortized cost net of impairment losses will be the assessment of the change in interest rate risk and credit spread.

Since these assets are directly related to the financial liabilities of each transaction, any impact of the change in interest rate risk and credit spread on financial assets is reflected in the change in the implicit interest rate risk of the financial liabilities, plus the fair value of derivatives, if applicable.

Debt securities issued

The fair value of the debt securities of securitization transactions reflects the value of the financial assets and debt securities issued, insofar as any surplus generated by the assets will be paid to the holders, and any shortcoming will be assumed by the holders on their cancellation date.

25 Related parties

On 31st December 2021, the Company's related parties were as follows:

Shareholders:

Deutsche Bank AG

Members of the Board of Directors

- Catarina Isabel Lopes Antunes Ribeiro Gil Mata (Chairman)
- Rui Paulo Menezes Carvalho (Member)
- Rafe Nicholas Morton (Member)

Companies that, directly or indirectly, are under common control with the company:

- Navegator SGFTC, S.A
- Deutsche Bank (Sucursal em Portugal) S.A.

Supervisory Board

Chairman of the Audit Committee	Leonardo Bandeira de Melo Mathias
Member	Pedro António Barata Noronha de Paiva Couceiro
Member	João Alexandre Marques de Castro Moutinho Barbosa
Substitute Member	João Miguel Leitão Henriques

Balances and transactions with related parties are as follows:

- The Company signed a Service Level Agreement (“SLA”) with Deutsche Bank (Portugal branch) S.A. and with Navegator SGFTC, S.A., as described in notes 8 and 18;
- The items “Deposits at other Credit Institutions” of the Company and of some transactions corresponds to demand deposits with Deutsche Bank (Portugal Branch) S.A. and Deutsche Bank London, as described in note 11 and in the detail of the respective transactions in note 28; and



- In addition, the item "Remuneration" includes an amount for remuneration of members of the Audit Committee, as described in note 7.

26 Risk Management

The main types of risk are detailed below:

Credit Risk

Credit risk is tied to the degree of uncertainty of expected returns, due to the inability of the borrower (and guarantor, if applicable), the issuer of a security or counterparty to an agreement to fulfil their obligations.

Within the scope of its business, the Company acquires credit portfolios which are later subject to securitization transactions, resulting in the effective and total transfer of these portfolios' credit risk to the holders of the bonds issued within the scope of these transactions.

On 31st December 2021, there were 15 active securitization transactions under the Company's management, corresponding to € 5.811.439.434 in credits (compared 14 transactions in 2020 corresponding to € 6.266.081.587), broken down as shown in the following table.

(Expressed in EUR)

Description	Loans to customers			
	2021	Weight	2020	Weight
Aqua Finance No.4	44 689 729	0.8%	73 562 188	1.2%
Aqua Mortgage No.1	67 042 660	1.2%	75 263 259	22.0%
Chaves Funding No.8	280 806 642	4.8%	449 873 386	131.7%
Green Belem No. 1	298 766 287	5.1%	350 748 625	102.7%
Pelican Finance No.1	-	0.0%	67 601 551	19.8%
Next Funding No. 1	286 511 333	4.9%	-	0.0%
Nostrum Mortgage No.2	2 561 273 845	44.1%	2 807 919 786	821.9%
Silk Finance No.5	565 117 685	9.7%	570 753 432	167.1%
Ulysses Finance N° 2	243 467 769	4.2%	-	0.0%
Victoria Finance No. 1	510 258 027	8.8%	505 140 293	147.9%
Viriato Finance N° 1	143 334 867	2.5%	-	0.0%
EnergyOn No.1	296 593 697	5.1%	389 849 320	114.1%
EnergyOn No.2	104 035 721	1.8%	136 746 851	40.0%
Volta IV Electricity Receivables Securitisation Notes	-	0.0%	12 688 231	3.7%
Volta V Electricity Receivables Securitisation Notes	12 610 419	0.2%	162 813 735	47.7%
Volta VI Electricity Receivables Securitisation Notes	178 665 148	3.1%	341 632 023	100.0%
Volta VII Electricity Receivables Securitisation Notes	218 265 606	3.8%	321 488 906	94.1%
Total	5 811 439 434	100%	6 266 081 587	100%

The following table shows the amount of total credit (excluding the credit acquisition premium) and overdue credit, together with the impairment rate coverage in relation to these items as of 31st December 2021 and 2020:



(Expressed in EUR)

Description	2021			Impairment on credit to customers
	Loans to customers	Overdue Credit	Impairment	
Aqua Finance No.4	47 730 281	2 510 847	3 040 552	6.37%
Aqua Mortgage No.1	67 726 649	43 639	683 989	1.01%
Chaves Funding No.8	292 000 969	697 058	11 194 327	3.83%
Green Belem No. 1	298 784 423	872	18 136	0.01%
Pelican Finance No.1	-	-	-	-
Next Funding No. 1	293 138 594	684 959	6 615 018	2.26%
Nostrum Mortgage No.2	2 562 107 161	967 886	833 317	0.03%
Silk Finance No.5	570 763 483	1 184 308	5 645 799	0.99%
Ulysses Finance N° 2	245 511 769	59 834	2 044 000	0.83%
Victoria Finance No. 1	524 076 712	425 037	13 818 685	2.64%
Viriato Finance N° 1	146 144 470	56 631	2 809 603	1.92%
EnergyOn No.1	296 593 697	-	-	0.00%
EnergyOn No.2	104 035 721	-	-	0.00%
Volta IV Electricity Receivables Securitisation Notes	-	-	-	-
Volta V Electricity Receivables Securitisation Notes	12 388 241	-	-	0.00%
Volta VI Electricity Receivables Securitisation Notes	177 297 645	-	-	0.00%
Volta VII Electricity Receivables Securitisation Notes	216 607 507	-	-	0.00%
Total	5 854 907 322	6 631 071	46 703 425	0.80%

(Expressed in EUR)

Description	2020			Impairment on credit to customers
	Loans to customers	Overdue Credit	Impairment	
Aqua Finance No.4	77 118 803	2 901 004	3 556 614	4.61%
Aqua Mortgage No.1	76 046 553	41 586	783 293	1.03%
Chaves Funding No.8	459 175 485	562 137	9 302 099	2.03%
Green Belem No. 1	350 768 974	246	20 350	0.01%
Pelican Finance No.1	74 852 995	4 583 560	7 251 443	9.69%
Next Funding No. 1	-	-	-	-
Nostrum Mortgage No.2	2 814 564 613	1 005 374	6 644 827	0.24%
Silk Finance No.5	574 276 498	277 336	3 523 066	0.61%
Ulysses Finance N° 2	-	-	-	-
Victoria Finance No. 1	526 945 326	219 454	21 805 033	4.14%
Viriato Finance N° 1	-	-	-	-
EnergyOn No.1	389 849 320	-	-	0.00%
EnergyOn No.2	136 746 851	-	-	0.00%
Volta IV Electricity Receivables Securitisation Notes	12 688 231	-	-	0.00%
Volta V Electricity Receivables Securitisation Notes	160 818 615	-	-	0.00%
Volta VI Electricity Receivables Securitisation Notes	338 536 057	-	-	0.00%
Volta VII Electricity Receivables Securitisation Notes	318 856 140	-	-	0.00%
Total	6 311 244 460	9 590 697	52 886 725	0.84%

Market Risk

The concept of market risk reflects the potential loss that may occur in a given portfolio due to changes in interest and exchange rates and / or the prices of the different financial instruments comprising it, in view of the existing correlations between them or their respective volatilities.

Interest rate risk

Interest rate risk is the likelihood of losses due to adverse changes in interest rates, bearing in mind the institution's balance sheet structure.

At the Company, securitization transactions account for around 95% of total assets and 100% of earning assets; in terms of liabilities, the corresponding securitization notes correspond to 95% of liabilities and 99,8% of earning liabilities. The interest rate risk arising from these balance sheet exposures is mitigated, bearing in mind that the risk of mismatched terms for



adjusting interest rates between assets and liabilities is hedged through the contracting of Interest Rate Swaps («IRS»).

Earning assets and liabilities and implicit rates of return in 2021 and 2020 are detailed in the following table:

(Expressed in EUR)

Description	2021			2020		
	Loans to customers	Interest and similar income	Implicit Interest Rate	Loans to customers	Interest and similar income	Implicit Interest Rate
Aqua Finance No.4	44 689 729	3 688 195	6.2%	73 562 188	5 742 955	6.1%
Aqua Mortgage No.1	67 042 660	1 239 737	1.7%	75 263 259	1 911 485	2.4%
Chaves Funding No.8	280 806 642	30 507 797	8.4%	449 873 386	30 372 004	7.9%
Green Belem No. 1	298 766 287	6 100 078	1.9%	350 748 625	6 154 120	4.4%
Pelican Finance No.1	-	1 772 808	5.2%	67 601 551	7 326 644	8.2%
Next Funding No. 1	286 511 333	8 536 523	-	-	-	-
Nostrum Mortgage No.2	2 561 273 845	45 703 404	-	2 807 919 786	56 007 211	-
Silk Finance No.4	-	-	-	-	10 023 703	4.8%
Silk Finance No.5	565 117 685	40 247 552	7.1%	570 753 432	18 601 152	6.5%
Ulysses Finance Nº 2	243 467 769	9 384 903	-	-	-	-
Victoria Finance No. 1	510 258 027	97 416 009	19.2%	505 140 293	42 194 986	16.7%
Viriato Finance Nº 1	143 334 867	4 462 190	-	-	-	-
EnergyOn No.1	296 593 697	5 987 313	1.7%	389 849 320	7 739 834	1.8%
EnergyOn No.2	104 035 721	1 666 618	1.4%	136 746 851	2 162 171	1.4%
Volta IV Electricity Receivables Securitisation Notes	-	284 204	4.5%	12 688 231	2 418 744	2.7%
Volta V Electricity Receivables Securitisation Notes	12 610 419	1 247 880	1.4%	162 813 735	2 501 767	1.1%
Volta VI Electricity Receivables Securitisation Notes	178 665 148	3 322 153	1.3%	341 632 023	5 255 368	1.2%
Volta VII Electricity Receivables Securitisation Notes	218 265 606	2 539 132	0.9%	321 488 906	3 326 895	0.9%
	5 811 439 434	264 106 494	4.4%	6 266 081 587	201 739 037	3.3%

(Expressed in EUR)

Description	2021			2020		
	Debt securities issued	Interest and similar income	Implicit Interest Rate	Debt securities issued	Interest and similar income	Implicit Interest Rate
Aqua Finance No.4	54 101 030	3 466 586	5.0%	83 732 353	5 476 238	5.2%
Aqua Mortgage No.1	69 905 770	1 123 252	1.5%	78 279 109	1 791 228	2.1%
Chaves Funding No.8	288 434 189	28 742 348	7.7%	457 411 991	28 670 905	7.3%
Green Belem No. 1	307 697 629	5 783 993	1.7%	361 333 597	5 258 935	3.8%
Pelican Finance No.1	-	1 665 515	3.9%	85 196 240	7 100 970	6.6%
Next Funding No. 1	258 385 129	9 858 700	7.6%	-	-	-
Nostrum Mortgage No.2	2 681 846 574	30 470 924	1.1%	2 927 819 358	44 174 751	1.4%
Silk Finance No.4	-	-	-	-	7 828 612	3.3%
Silk Finance No.5	621 468 952	38 415 232	6.2%	612 856 210	16 511 983	5.4%
Ulysses Finance Nº 2	255 399 597	8 700 443	6.8%	-	-	-
Victoria Finance No. 1	520 835 863	94 783 653	-	517 474 802	40 248 639	-
Viriato Finance Nº 1	149 816 775	3 074 290	4.1%	-	-	-
EnergyOn No.1	302 587 287	4 854 090	1.4%	392 574 549	6 424 191	1.5%
EnergyOn No.2	106 669 381	1 281 382	1.0%	138 305 568	1 718 605	1.1%
Volta IV Electricity Receivables Securitisation Notes	-	200 896	1.5%	26 073 738	2 187 778	2.1%
Volta V Electricity Receivables Securitisation Notes	25 505 906	1 025 116	1.0%	176 053 073	2 272 179	0.9%
Volta VI Electricity Receivables Securitisation Notes	193 154 987	3 070 795	1.1%	356 595 634	4 954 514	1.1%
Volta VII Electricity Receivables Securitisation Notes	227 893 336	2 266 093	0.8%	331 307 387	3 017 690	0.8%
	6 063 702 405	238 783 307	3.8%	6 545 013 609	177 637 219	2.8%

Liquidity Risk

Liquidity risk reflects the Company's inability to meet its obligations at the time of maturity, without incurring significant losses due to a deterioration in financing conditions (financing risk) and / or the sale of its assets by lower values market values (market liquidity risk).

Regarding the Company, one might say that liquidity risk - much like other financial risks, is non-existent, since the resulting damages have no impact on the Company, insofar as they are completely assumed by the holders of the bonds. In fact, the means of securitization are entities who are legally autonomous from the Company and between themselves, where the respective assets solely and exclusively satisfy the responsibilities assumed in the transactions.



Description	2021	Remunerated assets and liabilities	(Expressed in EUR)
			Implicit Interest Rate
Assets			
Deposits at other Credit Institutions	318 687 964	-	-
Balance due from other Credit Institutions	17 975 517	-	-
Loans to customers	5 811 439 434	5 811 439 434	4.4%
Intangible Assets	-	-	-
Financial assets held for trading	7 105 453	-	-
Other Assets	30 768 401	-	-
Total Assets	6 185 976 768	5 811 439 434	
Liabilities			
Other loans	36 182 264	-	-
Financial liabilities held for trading	17 888 746	-	-
Debt securities issued	6 063 702 405	6 063 702 405	3.8%
Other financial liabilities	3 343 024	3 260 667	2.5%
Other liabilities	64 037 410	-	-
Total Liabilities	6 185 153 849	6 066 963 072	
Equity			
Share Capital	250 000	-	-
Other equity instruments	-	-	-
Reserves and retained earnings	306 415	-	-
Net income for the period	266 504	-	-
Total Equity	822 919	-	
Total Equity and Liabilities	6 185 976 768	6 066 963 072	

Regarding liquidity risk, all flows received from credit acquired are transferred to the notes' holders for the fulfilment of responsibilities. Furthermore, each means of securitization has a cash reserve or liquidity account at a credit institution to deal with any sporadic liquidity problems in terms of debt servicing the notes. A detail of these with the amount and respective counterparty is shown in the table below.

Description	2021			2020		
	Cash Reserve Account	Liquidity Account	Total	Cash Reserve Account	Liquidity Account	Total
Aqua Finance No.4	7 000 000	-	7 000 000	7 000 000	-	7 000 000
Aqua Mortgage No.1	2 041 601	-	2 041 601	2 298 216	-	2 298 216
Chaves Funding No.8	806 588	-	806 588	1 403 818	-	1 403 818
Green Belem No. 1	4 535 970	-	4 535 970	5 316 970	-	5 316 970
Pelican Finance No.1	-	-	-	14 700 449	-	14 700 449
Nostrum Mortgage No.2	79 923 053	-	79 923 053	80 111 792	-	80 111 792
Next Funding No. 1	-	-	-	-	-	-
Silk Finance No.4	-	-	-	-	-	-
Silk Finance No.5	6 600 001	-	6 600 001	6 590 834	-	6 590 834
Victoria Finance No. 1	3 925 000	-	3 925 000	3 925 000	-	3 925 000
Variato Finance Nº 1	1 400 000	-	1 400 000	-	-	-
Ulisses Finance Nº 2	1 500 000	-	1 500 000	-	-	-
EnergyOn No.1	4 689 855	-	4 689 855	4 739 468	-	4 739 468
EnergyOn No.2	1 608 586	-	1 608 586	1 637 126	-	1 637 126
Volta IV Electricity Receivables Securitisation Notes	-	-	-	278 037	156 304	434 341
Volta V Electricity Receivables Securitisation Notes	228 064	53 451	281 515	256 081	372 569	628 650
Volta VI Electricity Receivables Securitisation Notes	112 813	528 667	641 480	142 258	976 444	1 118 702
Volta VII Electricity Receivables Securitisation Notes	446 559	396 355	842 914	465 260	577 271	1 042 531
Total	114 818 090	978 473	115 796 563	128 865 309	2 082 588	130 947 897

Operational Risk

Operational risk is defined as a potential loss resulting from failures or shortcomings in internal processes, people, or systems, or from outside events.



Tagus

The Company carries out an instrumental activity within the scope of Deutsche Bank A.G. – Portugal Branch, with business risks managed in a centralized manner. The main types of financial risks (credit, market, liquidity and operational) are monitored and controlled in accordance with the Group's general risk management and control principles.

Operations

As stated in the Offering Circular for transactions, credit acquired must meet a set of requirements both on the acquisition date and over the transaction's lifetime, under penalty of replacement or compensatory payments for the transactions by the originators. The Servicing Agreements for all the transactions ensure that specialized third parties (usually the originators) carry out procedures to manage and control credit risk, namely by guaranteeing receipts, identifying situations of default and managing credit recovery.

For interest rate risk, swaps are contracted to eliminate the difference between the loan interest rates and bond interest rates (basis risk).

In relation to liquidity risk, the operations have liquidity agreements with credit institutions to supply any occasional liquidity problems.

It should be noted that, in the case of operations, any losses resulting from the risks exposed above have no impact on the Company's results, being assumed by the bondholders. All risk management / minimization instruments are stipulated in the Offering Circular for each of the operations.

27 Subsequent Events

Up to the date of conclusion of this report, there were no significant events, with an impact on the accounts with reference date as of 31st December 2021, which are not reflected in the Financial Statements.

Even without having an impact on the Financial Statements with reference date as of 31st December 2021, we consider relevant to mention the following subsequent events:

At the General Meeting held on 21 January 2022, it was decided to increase share capital from Euros 250.000 to Euros 888.585 through supplementary contributions in the amount of Euros 638.585.

Regarding accessory payments of capital, it was deliberated in the Shareholders General Meeting occurred on 31 January 2022 the partial reimbursement of supplementary payments to its sole shareholder in the amount of Euros 1.742.082, which on this date has already been executed.

Additionally, on the 24th of February, Russia invaded Ukraine, thus starting a war in Europe. Although it is too soon to predict the financial impacts that this war will have, it is known that there will certainly be a worsening of the existing energy and economic and social crises.



In this way, transactions could be adversely affected by a prolonged contraction in local, regional or global economic conditions resulting, directly or indirectly, from this war, and the scale of these impacts are still uncertain. This situation may result in defaults and insolvencies of debtors whose credits are securitized in significantly greater numbers than would be expected in the absence of this war, with a decrease in the amounts paid and/or with an impact on the moment in which the payments of these credits are received.

28 Detailed analysis of operations

Each of the transactions is shown in detail below.

The Profit and Loss Statement, Balance Sheet and Cash Flow Statement for each of the transactions are shown in the following pages:



Income Statement
as at 31 December 2021 and 2020

(Expressed in EUR)

	Aqua Finance No.4		Aqua Mortgage No.1		Chaves Funding No.8		Green Belem No.1		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Interest and similar income	3 688 195	5 742 955	1 239 737	1 911 485	30 507 797	30 372 004	6 100 078	6 154 120	41 535 806	44 180 564
Interest expense and similar charges	(3 466 586)	(5 476 238)	(1 123 252)	(1 791 228)	(28 742 348)	(28 670 905)	(5 783 993)	(5 258 935)	(39 116 179)	(41 197 307)
Net interest income	221 608	266 717	116 485	120 257	1 765 449	1 701 099	316 085	895 184	2 419 627	2 983 258
Results from services and fees	-	-	-	-	-	-	-	-	-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit of loss	(516 062)	(309 022)	177 408	(623 699)	6 987 760	8 899 341	(2 213)	20 350	6 646 893	7 986 969
General and administrative costs	(221 608)	(266 717)	(116 485)	(120 257)	(1 765 449)	(1 701 099)	(316 085)	(895 184)	(2 419 627)	(2 983 258)
Total operating income/(expense)	(737 671)	(575 740)	60 923	(743 956)	5 222 311	7 198 242	(318 298)	(874 835)	4 227 265	5 003 711
Impairment losses on loans, net of reversals and recoveries	516 062	309 022	(177 408)	623 699	(6 987 760)	(8 899 341)	2 213	(20 350)	(6 646 893)	(7 986 969)
Operating income	-	-	-	-	-	-	0	-	-	-
Income before taxes	-	-	-	-	-	-	-	-	-	-
Income taxes	-	-	-	-	-	-	-	-	-	-
Net income for the year	-	-	-	-	-	-	-	-	-	-



Income Statement
as at 31 December 2021 and 2020

(Expressed in EUR)

	Next Funding No. 1		Nostrum Mortgage No.2		Pelican Finance No.1		Silk Finance No.4		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Interest and similar income	8 536 523	-	45 703 404	56 007 211	1 772 808	7 326 644	-	10 023 703	97 548 540	117 538 122
Interest expense and similar charges	(9 858 700)	-	(30 470 924)	(44 174 751)	(1 665 515)	(7 100 970)	-	(7 828 612)	(81 111 317)	(100 301 639)
Net interest income	(1 322 177)	-	15 232 480	11 832 459	107 293	225 674	-	2 195 091	16 437 223	17 236 482
Results from services and fees	-	-	-	-	-	-	-	-	-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit or loss	8 614 866	-	(18 070 553)	(2 597 136)	(825 708)	(307 201)	-	(4 883 461)	(3 634 503)	199 171
General and administrative costs	(677 671)	-	(766 791)	(765 398)	(107 293)	(225 674)	-	(2 195 091)	(3 971 383)	(6 169 421)
Total operating income/(expense)	7 937 195	-	(18 837 345)	(3 362 534)	(933 002)	(532 875)	-	(7 078 552)	(7 605 885)	(5 970 250)
Impairment losses on loans, net of reversals and recove	(6 615 018)	-	3 604 865	(8 469 925)	825 708	307 201	-	4 883 461	(8 831 338)	(11 266 232)
Operating income	-	-	0	-	-	-	-	-	0	-
Income before taxes	-	-	-	-	-	-	-	-	-	-
Income taxes	-	-	-	-	-	-	-	-	-	-
Net income for the year	-	-	-	-	-	-	-	-	-	-



Income Statement
as at 31 December 2021 and 2020

(Expressed in EUR)

	Silk Finance No.5		Ulisses Finance No. 2		Victoria Finance No. 1		Viriato Finance No. 1		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Interest and similar income	40 247 552	18 601 152	9 384 903	-	97 416 009	42 194 986	4 462 190	-	249 059 195	178 334 259
Interest expense and similar charges	(38 415 232)	(16 511 983)	(8 700 443)	-	(94 783 653)	(40 248 639)	(3 074 290)	-	(226 084 935)	(157 062 262)
Net interest income	1 832 320	2 089 168	684 460	-	2 632 356	1 946 347	1 387 900	-	22 974 259	21 271 998
Results from services and fees	-	-	-	-	-	-	-	-	-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit of loss	2 510 757	3 523 066	2 258 671	-	2 655 199	22 450 608	2 744 744	-	6 534 868	26 172 845
General and administrative costs	(1 832 320)	(2 089 168)	(684 460)	-	(2 632 356)	(1 946 347)	(1 221 582)	-	(10 342 101)	(10 204 936)
Total operating income/(expense)	678 437	1 433 897	1 574 211	-	22 842	20 504 261	1 523 162	-	(3 807 233)	15 967 909
Impairment losses on loans, net of reversals and recove	(2 510 757)	(3 523 066)	(2 258 671)	-	(2 655 199)	(22 450 608)	(2 911 062)	-	(19 167 026)	(37 239 906)
Operating income	()	-	-	-	()	-	-	-	()	-
Income before taxes	-	-	-	-	-	-	-	-	-	-
Income taxes	-	-	-	-	-	-	-	-	-	-
Net income for the year	-	-	-	-	-	-	-	-	-	-



Income Statement
as at 31 December 2021 and 2020

(Expressed in EUR)

	EnergyOn No.1		EnergyOn No.2		Volta IV Electricity Receivables Securitisation Notes		Volta V Electricity Receivables Securitisation Notes		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Interest and similar income	5 987 313	7 739 834	1 666 618	2 162 171	284 204	2 418 744	1 247 880	2 501 767	258 245 209	193 156 775
Interest expense and similar charges	(4 854 090)	(6 424 191)	(1 281 382)	(1 718 605)	(200 896)	(2 187 778)	(1 025 116)	(2 272 179)	(233 446 419)	(169 665 015)
Net interest income	1 133 224	1 315 642	385 235	443 566	83 308	230 966	222 764	229 587	24 798 790	23 491 760
Results from services and fees	-	-	-	-	-	-	-	-	-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit or loss	(984 947)	(1 151 748)	(269 732)	(319 849)	-	-	-	-	5 280 188	24 701 248
General and administrative costs	(148 277)	(163 895)	(115 503)	(123 717)	(83 308)	(230 966)	(222 764)	(229 587)	(10 911 953)	(10 953 101)
Total operating income/(expense)	(1 133 224)	(1 315 642)	(385 235)	(443 566)	(83 308)	(230 966)	(222 764)	(229 587)	(5 631 764)	13 748 147
Impairment losses on loans, net of reversals and recoveries	-	-	-	-	-	-	-	-	(19 167 026)	(37 239 906)
Operating income	-	-	-	0	0	-	0	0	0	-
Income before taxes	-	-	-	-	-	-	-	-	-	-
Income taxes	-	-	-	-	-	-	-	-	-	-
Net income for the year	-	-	-	-	-	-	-	-	-	-



Income Statement
as at 31 December 2021 and 2020

(Expressed in EUR)

	Volta VI Electricity Receivables Securitisation Notes		Volta VII Electricity Receivables Securitisation Notes		Total	
	2021	2020	2021	2020	2021	2020
Interest and similar income	3 322 153	5 255 368	2 539 132	3 326 895	264 106 494	201 739 037
Interest expense and similar charges	(3 070 795)	(4 954 514)	(2 266 093)	(3 017 690)	(238 783 307)	(177 637 219)
Net interest income	251 358	300 854	273 039	309 205	25 323 187	24 101 818
Results from services and fees	-	-	-	-	-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit of loss	-	-	-	-	5 280 188	24 701 248
General and administrative costs	(251 358)	(300 854)	(273 039)	(309 205)	(11 436 350)	(11 563 160)
Total operating income/(expense)	(251 358)	(300 854)	(273 039)	(309 205)	(6 156 161)	13 138 088
Impairment losses on loans, net of reversals and recove	-	-	-	-	(19 167 026)	(37 239 906)
Operating income			(0)		-	-
Income before taxes	-	-	-	-	-	-
Income taxes	-	-	-	-	-	-
Net income for the year	-	-	-	-	-	-



**Balance Sheet
as at 31 of December 2021 e 2020**

(Expressed in EUR)

	Aqua Finance No.4		Aqua Mortgage No.1		Chaves Funding No.8		Green Belém No. 1		Sub-total	
	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020
Assets										
Deposits at other Credit Institutions	9 531 381	10 312 719	2 871 914	3 029 818	4 119 857	7 157 976	9 030 476	9 865 886	25 553 627	30 366 399
Balances due from other Credit Institutions	-	-	-	-	-	-	-	-	-	-
Loans to customers	44 689 729	73 562 188	67 042 660	75 263 259	280 806 642	449 873 386	298 766 287	350 748 625	691 305 318	949 447 459
Financial assets held for trading	-	-	-	-	-	-	-	-	-	-
Other assets	1 877	2 016	10 040	10 177	3 933 685	829 401	568 634	832 615	4 514 236	1 674 209
Total Assets	54 222 987	83 876 923	69 924 613	78 303 255	288 860 184	457 860 763	308 365 396	361 447 125	721 373 180	981 488 067
Liabilities										
Other Loans	-	-	-	-	-	-	-	-	-	-
Financial liabilities held for trading	-	-	-	-	-	-	649 915	96 308	649 915	96 308
Debt securities issued	54 101 030	83 732 353	69 905 770	78 279 109	288 434 189	457 411 991	307 697 629	361 333 597	720 138 619	980 757 050
Other liabilities	121 957	144 570	18 842	24 146	425 994	448 772	17 853	17 220	584 646	634 708
Total Liabilities	54 222 987	83 876 923	69 924 613	78 303 255	288 860 184	457 860 763	308 365 396	361 447 125	721 373 180	981 488 067
Equity										
Share Capital	-	-	-	-	-	-	-	-	-	-
Other equity instruments	-	-	-	-	-	-	-	-	-	-
Reserves and retained earnings	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-
Total Equity	-	-	-	-	-	-	-	-	-	-
Total Equity and Liabilities	54 222 987	83 876 923	69 924 613	78 303 255	288 860 184	457 860 763	308 365 396	361 447 125	721 373 180	981 488 067



**Balance Sheet
as at 31 of December 2021 e 2020**

(Expressed in EUR)

	Next Funding No. 1		Nostrum Mortgage No.2		Pelican Finance No. 1		Silk Finance No.4		Sub-total	
	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020
Assets										
Deposits at other Credit Institutions	8 000 000	-	128 789 146	135 884 523	-	18 180 858	-	-	162 342 772	184 431 781
Balances due from other Credit Institutions	268 772	-	15 206 745	18 332 553	-	-	-	-	15 475 517	18 332 553
Loans to customers	286 511 333	-	2 561 273 845	2 807 919 786	-	67 601 551	-	-	3 539 090 495	3 824 968 796
Financial assets held for trading	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	2 727	-	-	4 514 236	1 676 936
Total Assets	294 780 105	-	2 705 269 735	2 962 136 862	-	85 785 137	-	-	3 721 423 019	4 029 410 065
Liabilities										
Other Loans	36 182 264	-	-	-	-	-	-	-	36 182 264	-
Financial liabilities held for trading	-	-	8 116 475	15 829 322	-	-	-	-	8 766 389	15 925 630
Debt securities issued	258 385 129	-	2 681 846 574	2 927 819 358	-	85 196 240	-	-	3 660 370 322	3 993 772 648
Other liabilities	212 711	-	15 306 686	18 488 182	-	588 897	-	-	16 104 044	19 711 787
Total Liabilities	294 780 105	-	2 705 269 735	2 962 136 862	-	85 785 137	-	-	3 721 423 019	4 029 410 065
Equity										
Share Capital	-	-	-	-	-	-	-	-	-	-
Other equity instruments	-	-	-	-	-	-	-	-	-	-
Reserves and retained earnings	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-
Total Equity	-	-	-	-	-	-	-	-	-	-
Total Equity and Liabilities	294 780 105	-	2 705 269 735	2 962 136 862	-	85 785 137	-	-	3 721 423 019	4 029 410 065



Balance Sheet
as at 31 of December 2021 e 2020

(Expressed in EUR)

	Silk Finance No.5		Ulisses Finance No. 2		Victoria Finance No. 1		Viriato Finance No. 1		Sub-total	
	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020
Assets										
Deposits at other Credit Institutions	33 669 209	23 304 808	4 889 997	-	52 754 539	53 895 469	5 601 712	-	259 258 229	261 632 058
Balances due from other Credit Institutions	-	-	-	-	-	-	-	-	15 475 517	18 332 553
Loans to customers	565 117 685	570 753 432	243 467 769	-	510 258 027	505 140 293	143 334 867	-	5 001 268 843	4 900 862 520
Financial assets held for trading	4 864 535	1 123 089	2 240 917	-	-	-	-	-	7 105 453	1 123 089
Other assets	18 243 969	17 950 730	4 870 416	-	1 780 499	-	1 256 458	-	30 665 577	19 627 666
Total Assets	621 895 398	613 132 059	255 469 099	-	564 793 065	559 035 762	150 193 037	-	5 313 773 618	5 201 577 886
Liabilities										
Other Loans	-	-	-	-	-	-	-	-	36 182 264	-
Financial liabilities held for trading	-	-	-	-	-	-	314 226	-	9 080 615	15 925 630
Debt securities issued	621 468 952	612 856 210	255 399 597	-	520 835 863	517 474 802	149 816 775	-	5 207 891 508	5 124 103 660
Other liabilities	426 446	275 849	69 502	-	43 957 203	41 560 960	62 035	-	60 619 230	61 548 596
Total Liabilities	621 895 398	613 132 059	255 469 099	-	564 793 065	559 035 762	150 193 037	-	5 313 773 618	5 201 577 886
Equity										
Share Capital	-	-	-	-	-	-	-	-	-	-
Other equity instruments	-	-	-	-	-	-	-	-	-	-
Reserves and retained earnings	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-
Total Equity	-	-	-	-	-	-	-	-	-	-
Total Equity and Liabilities	621 895 398	613 132 059	255 469 099	-	564 793 065	559 035 762	150 193 037	-	5 313 773 618	5 201 577 886



Balance Sheet
as at 31 of December 2021 e 2020

(Expressed in EUR)

	EnergyOn No.1		EnergyOn No.2		Volta IV Electricity Receivables Securitisation Notes		Volta V Electricity Receivables Securitisation Notes		Total	
	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020
Assets										
Deposits at other Credit Institutions	12 958 817	13 024 050	4 509 208	4 543 208	-	13 406 769	12 915 862	13 262 997	289 642 116	305 869 082
Balances due from other Credit Institutions	2 500 000	2 500 000	-	-	-	-	-	-	17 975 517	20 832 553
Loans to customers	296 593 697	389 849 320	104 035 721	136 746 851	-	12 688 231	12 610 419	162 813 735	5 414 508 680	5 602 960 658
Financial assets held for trading	-	-	-	-	-	-	-	-	7 105 453	1 123 089
Other assets	1 092	1 625	1 143	1 702	-	-	-	-	30 667 812	19 630 993
Total Assets	312 053 606	405 374 995	108 546 072	141 291 761	-	26 095 000	25 526 281	176 076 732	5 759 899 577	5 950 416 374
Liabilities										
Other Loans	-	-	-	-	-	-	-	-	36 182 264	-
Financial liabilities held for trading	6 946 916	10 278 146	1 861 215	2 968 557	-	-	-	-	17 888 746	29 172 334
Debt securities issued	302 587 287	392 574 549	106 669 381	138 305 568	-	26 073 738	25 505 906	176 053 073	5 642 654 082	5 857 110 588
Other liabilities	2 519 404	2 522 300	15 476	17 635	-	21 262	20 375	23 659	63 174 485	64 133 452
Total Liabilities	312 053 606	405 374 995	108 546 072	141 291 761	-	26 095 000	25 526 281	176 076 732	5 759 899 577	5 950 416 374
Equity										
Share Capital	-	-	-	-	-	-	-	-	-	-
Other equity instruments	-	-	-	-	-	-	-	-	-	-
Reserves and retained earnings	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-
Total Equity	-	-	-	-	-	-	-	-	-	-
Total Equity and Liabilities	312 053 606	405 374 995	108 546 072	141 291 761	-	26 095 000	25 526 281	176 076 732	5 759 899 577	5 950 416 374



Balance Sheet
as at 31 of December 2021 e 2020

(Expressed in EUR)

	Volta VI Electricity Receivables		Volta VII Electricity Receivables		Total	
	31-12-2021	31-12-2020	31-12-2021	31-12-2020	31-12-2021	31-12-2020
<i>Assets</i>						
Deposits at other Credit Institutions	14 512 660	14 989 882	9 657 700	9 857 317	313 812 476	330 716 281
Balances due from other Credit Institutions	-	-	-	-	17 975 517	20 832 553
Loans to customers	178 665 148	341 632 023	218 265 606	321 488 906	5 811 439 433	6 266 081 587
Financial assets held for trading	-	-	-	-	7 105 453	1 123 089
Other assets	-	-	-	-	30 667 812	19 630 993
Total Assets	193 177 808	356 621 905	227 923 306	331 346 223	6 181 000 691	6 638 384 502
<i>Liabilities</i>						
Other Loans	-	-	-	-	36 182 264	-
Financial liabilities held for trading	-	-	-	-	17 888 746	29 172 334
Debt securities issued	193 154 987	356 595 634	227 893 336	331 307 387	6 063 702 405	6 545 013 609
Other liabilities	22 821	26 271	29 970	38 836	63 227 277	64 198 559
Total Liabilities	193 177 808	356 621 905	227 923 306	331 346 223	6 181 000 691	6 638 384 502
<i>Equity</i>						
Share Capital	-	-	-	-	-	-
Other equity instruments	-	-	-	-	-	-
Reserves and retained earnings	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-
Total Equity	-	-	-	-	-	-
Total Equity and Liabilities	193 177 808	356 621 905	227 923 306	331 346 223	6 181 000 691	6 638 384 502



Cash Flow Statement for the years ended 31 December 2021 and 2020

(Expressed in EUR)

	Aqua Finance No.4		Aqua Mortgage No.1		Chaves Funding no 8		Green Belem No. 1		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating Activities										
Other receivables/(payments) associated with the operating activities	(229 523)	(278 016)	(119 994)	(130 775)	(1 799 539)	(1 679 947)	(316 085)	(1 546 215)	(2 465 141)	(3 634 953)
<i>Cash flows arising from operating activities</i>	(229 523)	(278 016)	(119 994)	(130 775)	(1 799 539)	(1 679 947)	(316 085)	(1 546 215)	(2 465 141)	(3 634 953)
Investing Activities										
Receivables:	-	-	-	-	-	-	-	-	-	-
Customers Loans	28 539 135	38 989 830	8 561 905	11 491 729	158 412 660	(136 873 389)	52 397 264	(350 185 157)	247 910 965	(436 576 987)
Interest income	3 762 539	5 822 438	453 409	698 318	31 081 150	29 445 932	5 930 033	5 314 815	41 227 131	41 281 503
Payments:	-	-	-	-	-	-	-	-	-	-
Loan Portfolio acquisition	-	-	-	-	-	-	-	-	-	-
Financial Investments	-	-	-	-	-	-	-	-	-	-
<i>Cash flows arising from investing activities</i>	32 301 675	44 812 267	9 015 314	12 190 047	189 493 810	(107 427 457)	58 327 297	(344 870 342)	289 138 095	(395 295 484)
Financing Activities										
Receivables:	-	-	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	98 579 249	131 911 124	-	392 106 656	98 579 249	524 017 780
Payments:	-	-	-	-	-	-	-	-	-	-
Debt securities issued	(29 849 148)	(41 894 222)	(8 660 871)	(10 974 032)	(263 460 342)	(260 997)	(52 847 722)	(30 993 370)	(354 818 082)	(84 122 622)
Interest Expenses	(3 004 342)	(3 920 732)	(392 355)	(1 602 455)	(25 851 297)	(23 951 572)	(5 998 901)	(4 830 842)	(35 246 895)	(34 305 600)
<i>Cash flows arising from financing activities</i>	(32 853 489)	(45 814 954)	(9 053 226)	(12 576 487)	(190 732 390)	107 698 555	(58 846 623)	356 282 444	(291 485 728)	405 589 558
Net changes in cash and cash equivalents	(781 338)	(1 280 702)	(157 906)	(517 215)	(3 038 120)	(1 408 849)	(835 411)	9 865 886	(4 812 773)	6 659 120
Cash and cash equivalents balance at the beginning of the year	10 312 719	11 593 421	3 029 819	3 547 034	7 157 976	8 566 825	9 865 886	-	30 366 400	23 707 280
Cash and cash equivalents balance at the end of the year	9 531 381	10 312 719	2 871 913	3 029 819	4 119 857	7 157 976	9 030 476	9 865 886	25 553 626	30 366 400
Deposits at other Credit Institutions	9 531 381	10 312 719	2 871 913	3 029 819	4 119 857	7 157 976	9 030 476	9 865 886	25 553 626	30 366 400



**Cash Flow Statement
for the years ended 31 December 2021 and 2020**

(Expressed in EUR)

	Nostrum Mortgage No.2		Next Funding No. 1		Pelican Finance No.1		Silk Finance No.4		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating Activities										
Other receivables/(payments) associated with the operating activities	(788 168)	(769 819)	610 236	-	(122 012)	(241 869)	-	(3 085 236)	(2 765 085)	(7 731 877)
<i>Cash flows arising from operating activities</i>	<u>(788 168)</u>	<u>(769 819)</u>	<u>610 236</u>	<u>-</u>	<u>(122 012)</u>	<u>(241 869)</u>	<u>-</u>	<u>(3 085 236)</u>	<u>(2 765 085)</u>	<u>(7 731 877)</u>
Investing Activities										
Receivables:										
Customers Loans	251 002 059	245 371 823	(293 586 907)	-	68 668 166	42 788 543	-	438 600 779	273 994 283	290 184 158
Interest income	53 523 474	68 906 967	-	-	859 984	7 218 343	-	13 401 152	95 610 589	130 807 965
Payments:	-	-	-	-	-	-	-	-	-	-
Loan Portfolio acquisition	-	-	-	-	-	-	-	-	-	-
Financial Investments	-	-	36 182 264	-	-	-	-	-	36 182 264	-
<i>Cash flows arising from investing activities</i>	<u>304 525 534</u>	<u>314 278 790</u>	<u>(257 404 643)</u>	<u>-</u>	<u>69 528 150</u>	<u>50 006 886</u>	<u>-</u>	<u>452 001 931</u>	<u>405 787 136</u>	<u>420 992 123</u>
Financing Activities										
Receivables:										
Debt securities issued	-	-	268 794 406	-	-	-	-	-	367 373 656	524 017 780
Payments:										
Debt securities issued	(260 736 705)	(247 935 873)	(4 000 000)	-	(85 148 633)	(46 256 419)	-	(472 089 679)	(704 703 420)	(850 404 594)
Interest Expenses	(50 096 038)	(65 728 393)	-	-	(2 438 363)	(5 676 827)	-	(14 316 680)	(87 781 297)	(120 027 501)
<i>Cash flows arising from financing activities</i>	<u>(310 832 743)</u>	<u>(313 664 266)</u>	<u>264 794 406</u>	<u>-</u>	<u>(87 586 997)</u>	<u>(51 933 247)</u>	<u>-</u>	<u>(486 406 360)</u>	<u>(792 484 717)</u>	<u>(446 414 315)</u>
Net changes in cash and cash equivalents	(7 095 378)	(155 296)	8 000 000	-	(18 180 858)	(2 168 229)	-	(37 489 664)	(22 089 009)	(33 154 068)
Cash and cash equivalents balance at the beginning of the year	135 884 523	136 039 819	-	-	18 180 858	20 349 087	-	37 489 664	184 431 782	217 585 850
Cash and cash equivalents balance at the end of the year	128 789 146	135 884 523	8 000 000	-	(0)	18 180 858	-	162 342 771	162 342 771	184 431 782
Deposits at other Credit Institutions	128 789 146	135 884 523	8 000 000	-	-	18 180 858	-	-	162 342 772	184 431 781



Cash Flow Statement for the years ended 31 December 2021 and 2020

(Expressed in EUR)

	Silk Finance No.5		Victoria Finance No. 1		Viriato Finance No. 1		Ulisses Finance No. 2		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating Activities										
Other receivables/(payments) associated with the operating activities	(1 786 274)	(1 909 159)	(2 625 940)	(1 888 784)	(1 201 005)	-	(654 658)	-	(9 032 962)	(11 529 820)
<i>Cash flows arising from operating activities</i>	(1 786 274)	(1 909 159)	(2 625 940)	(1 888 784)	(1 201 005)	-	(654 658)	-	(9 032 962)	172 903 982
Investing Activities										
Receivables:										
Customers Loans	4 484 849	(587 164 905)	(456 524 318)	(657 987 610)	(158 516 750)	-	(247 812 759)	-	(584 374 695)	(954 968 357)
Interest income	38 544 544	15 404 242	546 776 722	214 095 091	15 555 732	-	7 879 445	-	704 367 033	360 307 299
Payments:	-	-	-	-	-	-	-	-	-	-
Loan Portfolio acquisition	-	-	-	-	-	-	-	-	-	-
Financial Investments	-	(1 859 760)	-	-	-	-	(1 258 000)	-	34 924 264	(1 859 760)
<i>Cash flows arising from investing activities</i>	43 029 393	(573 620 423)	90 252 404	(443 892 519)	(142 961 018)	-	(241 191 314)	-	154 916 602	(596 520 819)
Financing Activities										
Receivables:										
Debt securities issued	-	610 200 001	13 791 506	534 737 933	152 573 060	-	255 485 140	-	789 223 361	1 668 955 713
Payments:	-	-	-	-	-	-	-	-	-	-
Debt securities issued	(2 640 000)	(4 259 000)	(16 930 382)	(3 570 399)	-	-	(1 724 000)	-	(725 997 802)	(858 233 993)
Interest Expenses	(28 238 718)	(7 106 611)	(85 628 517)	(31 490 762)	(2 809 325)	-	(7 025 172)	-	(211 483 028)	(158 624 874)
<i>Cash flows arising from financing activities</i>	(30 878 718)	598 834 390	(88 767 394)	499 676 771	149 763 735	-	246 735 968	-	(148 257 469)	652 096 847
Net changes in cash and cash equivalents	10 364 401	23 304 808	(1 140 930)	53 895 469	5 601 712	-	4 889 997	-	(2 373 829)	44 046 209
Cash and cash equivalents balance at the beginning of the year	23 304 808	-	53 895 469	-	-	-	-	-	261 632 059	217 585 850
Cash and cash equivalents balance at the end of the year	33 669 209	23 304 808	52 754 539	53 895 469	5 601 712	-	4 889 997	-	259 258 229	261 632 059
Deposits at other Credit Institutions	33 669 209	23 304 808	52 754 539	53 895 469	5 601 712	-	4 889 997	-	259 258 228	261 632 058



Cash Flow Statement for the years ended 31 December 2021 and 2020

(Expressed in EUR)

(Expressed in EUR)

	EnergyOn No.1		EnergyOn No.2		Volta IV Electricity Receivables		Volta V Electricity Receivables		Sub-total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating Activities										
Other receivables/(payments) associated with the operating activities	(150 640)	(179 708)	(1 048 999)	(135 956)	(104 570)	(243 576)	(226 048)	(240 749)	(10 563 219)	(12 329 807)
<i>Cash flows arising from operating activities</i>	<u>(150 640)</u>	<u>(179 708)</u>	<u>(1 048 999)</u>	<u>(135 956)</u>	<u>(104 570)</u>	<u>(243 576)</u>	<u>(226 048)</u>	<u>(240 749)</u>	<u>(10 563 219)</u>	<u>249 304 271</u>
Investing Activities										
Receivables:										
Customers Loans	93 255 623	91 680 128	32 711 130	32 158 496	12 688 224	151 980 712	148 430 374	145 693 656	(297 289 344)	(533 455 366)
Interest income	11 034 443	14 481 626	4 859 877	5 141 145	284 204	3 688 424	3 020 822	5 757 540	723 566 379	389 376 033
Payments:	-	-	-	-	-	-	-	-	-	-
Loan Portfolio acquisition	-	-	-	-	-	-	-	-	-	-
Financial Investments	-	-	-	-	-	-	-	-	34 924 264	(1 859 760)
<i>Cash flows arising from investing activities</i>	<u>104 290 066</u>	<u>106 161 754</u>	<u>37 571 007</u>	<u>37 299 641</u>	<u>12 972 428</u>	<u>155 669 136</u>	<u>151 451 196</u>	<u>151 451 196</u>	<u>461 201 300</u>	<u>(145 939 092)</u>
Financing Activities										
Receivables:										
Debt securities issued	-	-	-	-	-	-	-	-	789 223 361	1 668 955 713
Payments:	-	-	-	-	-	-	-	-	-	-
Debt securities issued	(91 512 830)	(89 970 004)	(32 184 742)	(31 642 136)	(26 174 796)	(153 577 492)	(150 492 591)	(149 219 274)	(1 026 362 761)	(1 282 642 898)
Interest Expenses	(12 691 830)	(16 088 268)	(4 371 266)	(5 563 987)	(99 831)	(2 800 489)	(1 079 692)	(2 319 164)	(229 725 647)	(185 396 782)
<i>Cash flows arising from financing activities</i>	<u>(104 204 660)</u>	<u>(106 058 271)</u>	<u>(36 556 008)</u>	<u>(37 206 123)</u>	<u>(26 274 627)</u>	<u>(156 377 982)</u>	<u>(151 572 283)</u>	<u>(151 538 438)</u>	<u>(466 865 046)</u>	<u>200 916 033</u>
Net changes in cash and cash equivalents	(65 233)	(76 226)	(34 000)	(42 437)	(13 406 769)	(952 421)	(347 135)	(327 990)	(16 226 966)	42 647 134
Cash and cash equivalents balance at the beginning of the year	13 024 050	13 100 276	4 543 208	4 585 645	13 406 769	14 359 190	13 262 997	13 590 987	305 869 082	263 221 948
Cash and cash equivalents balance at the end of the year	12 958 817	13 024 050	4 509 208	4 543 208		13 406 769	12 915 862	13 262 997	289 642 116	305 869 082
Deposits at other Credit Institutions	12 958 817	13 024 050	4 509 208	4 543 208	-	13 406 769	12 915 862	13 262 997	289 642 116	305 869 082



**Cash Flow Statement
for the years ended 31 December 2021 and 2020**

(Expressed in EUR)

	Volta VI Electricity Receivables		Volta VII Electricity Receivables		Total	
	2021	2020	2021	2020	2021	2020
Operating Activities						
Other receivables/(payments) associated with the operating activities	(254 808)	(311 935)	(281 904)	(314 842)	(11 099 931)	(12 956 584)
<i>Cash flows arising from operating activities</i>	<u>(254 808)</u>	<u>(311 935)</u>	<u>(281 904)</u>	<u>(314 842)</u>	<u>(11 099 931)</u>	<u>(12 956 584)</u>
Investing Activities						
Receivables:						
Customers Loans	161 238 412	158 868 251	102 248 633	101 134 138	(33 802 299)	(273 452 977)
Interest income	5 050 616	7 420 777	3 513 799	4 628 294	732 130 794	401 425 105
Payments:						
Loan Portfolio acquisition	-	-	-	-	-	-
Financial Investments	-	-	-	-	34 924 264	(1 859 760)
<i>Cash flows arising from investing activities</i>	<u>166 289 028</u>	<u>166 289 028</u>	<u>105 762 432</u>	<u>105 762 432</u>	<u>733 252 760</u>	<u>126 112 368</u>
Financing Activities						
Receivables:						
Debt securities issued	-	-	-	-	789 223 361	1 668 955 713
Payments:						
Debt securities issued	(163 275 673)	(161 490 295)	(103 561 537)	(102 839 347)	(1 293 199 971)	(1 546 972 541)
Interest Expenses	(3 235 769)	(4 958 801)	(2 118 608)	(2 806 468)	(235 080 023)	(193 162 051)
<i>Cash flows arising from financing activities</i>	<u>(166 511 442)</u>	<u>(166 449 097)</u>	<u>(105 680 145)</u>	<u>(105 645 815)</u>	<u>(739 056 633)</u>	<u>(71 178 878)</u>
Net changes in cash and cash equivalents	(477 222)	(472 003)	(199 617)	(198 225)	(16 903 805)	41 976 906
Cash and cash equivalents balance at the beginning of the year	<u>14 989 882</u>	<u>15 461 885</u>	<u>9 857 317</u>	<u>10 055 542</u>	<u>330 716 281</u>	<u>288 739 375</u>
Cash and cash equivalents balance at the end of the year	14 512 660	14 989 882	9 657 700	9 857 317	313 812 476	330 716 281
Deposits at other Credit Institutions (Note 9)	14 512 660	14 989 882	9 657 700	9 857 317	313 812 476	330 716 281



1 Aqua Finance No. 4

On 11th July 2017, the Company carried out the transaction “Aqua Finance No. 4”. This transaction was for the acquisition of consumer credit portfolio of Montepio Crédito - IFC, S.A. and issuing securitized bonds divided into 3 tranches: € 140.000.000 Class A due 2035, € 15.000.000 Class B due 2035 and € 45,200,000 Class C due 2035. The first two were issued at par, while tranche C was issued with a premium (100.0599595). These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

	Aqua Finance 4	
	DBRS	Moody's
Class A	-	-
Class B	AA (high) (sf)	Aa2
Class C	-	-

The remuneration of the first two tranches is indexed to the three-month Euribor plus a 1.05% spread for Class A and a 2.65% spread for Class B (cap rate of 5%). The Class C bonds have no set interest rate, with entitlement to amounts available after the transaction's other responsibilities have been met, as stipulated in its terms and conditions.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in 23rd February 2019, ending on 23rd June 2035, the legal maturity date for all the tranches.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under consumer and auto loans.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.



Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020	Interest Rate 31.12.2020
Aqua Finance No.4						
Class A-Notes	June 2035	0	EUR 3 M + 1.05%	1.04%	0.52%	-0.59%
Class B-Notes	June 2035	9 174 340	EUR 3 M + 2.65%	2.64%	2.12%	-0.59%
Class C-Notes	June 2035	45 200 000	-	-	-	-
		54 374 340				

The line “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. This issuance includes two tranches of bonds (“Class A Notes” and “Class B Notes”) with variable remuneration at the 3-month Euribor plus a 1.05% and 2.65% spread, respectively, and a third tranche of bonds (“Class C Notes”) whose remuneration will be the difference between the amounts received and the remuneration paid to “Class A” and “Class B”. Each month, all amounts received from securitized credit interest and transferred to the Company are calculated. This amount is paid in full to the holder of the bonds.

The transaction’s financial statements are shown with reference to 31 December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		2021	2020
Interest and similiar income	1.1	3 688 195	5 742 955
Interest expense and similiar charges	1.1	(3 466 586)	(5 476 238)
Net interest income		221 608	266 717
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	1.2	(516 062)	(309 022)
General and administrative costs		(221 608)	(266 717)
Total Operating income/(expense)		(737 671)	(575 740)
Impairment losses on loans, net of reversals and recoveries	1.4	516 062	309 022
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	<u>Notes</u>	<u>31-12-2021</u>	<u>31-12-2020</u>
Assets			
Deposits at other Credit Institutions	1.5	9 531 381	10 312 719
Balances due from other Credit Institutions		-	-
Loans to customers	1.6	44 689 729	73 562 188
Financial assets held for trading		-	-
Other Assets	1.7	1 877	2 016
Total Assets		54 222 987	83 876 923
Liabilities			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	1.8	54 101 030	83 732 353
Other liabilities	1.9	121 957	144 570
Total Liabilities		54 222 987	83 876 923
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		54 222 987	83 876 923

To be read with the notes attached to the financial statements



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(229 523)	(278 016)
<i>Cash flows arising from operating activities</i>	(229 523)	(278 016)
Investing Activities		
Receivables:		
Customers Loans	28 539 135	38 989 830
Interest income	3 762 539	5 822 438
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	32 301 675	44 812 267
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(29 849 148)	(41 894 222)
Interest Expenses	(3 004 342)	(3 920 732)
<i>Cash flows arising from financing activities</i>	(32 853 489)	(45 814 954)
Net changes in cash and cash equivalents	(781 338)	(1 280 702)
Cash and cash equivalents balance at the beginning of the year	10 312 719	11 593 421
Cash and cash equivalents balance at the end of the year	9 531 382	10 312 719
Deposits at other Credit Institutions	9 531 381	10 312 719



1.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	3 688 195	5 742 955
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	3 688 195	5 742 955
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(3 417 213)	(5 420 990)
Interest from deposits	(50 882)	(56 761)
Interest from other financial liabilities	-	-
Premium bond issue	1 509	1 513
	(3 466 586)	(5 476 238)
<i>Net interest income</i>	221 608	266 717

1.2 Net gains / (losses) arising from financial assets and liabilities at fair value through profit or loss

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other gains arising financial operations	-	-
	-	-
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other losses arising financial operations	(516 062)	(309 022)
	(516 062)	(309 022)
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	(516 062)	(309 022)

In “Other gains / Other losses arising from financial operations” is included the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 1.8).



1.3 General and administrative expenses

Description	(Expressed in EUR)	
	2021	2020
Agent bank fee	-	-
Audit fee	(14 145)	(16 605)
CMVM	(1 614)	(4 495)
Bank commissions	-	-
Commitment Fee	-	-
Common Representative	(5 000)	(6 150)
Euronext	-	-
Interbolsa	(4 829)	(5 272)
Irish stock exchange fee	-	-
Issuer fee	(70 139)	(70 140)
Legal Fee	-	-
Other	-	-
Paying Agent fee	(4 160)	(4 160)
Rating Agency fee	(23 521)	(22 836)
Service fee	(84 680)	(123 540)
Transaction Manager	(13 520)	(13 520)
	(221 608)	(266 717)

1.4 Impairment losses on loans

Description	(Expressed in EUR)	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(620 878)	(1 166 601)
Reversal of impairment losses	1 136 941	1 475 623
	516 062	309 022

1.5 Deposits at other Credit Institutions

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
Deposits	2 531 381	3 312 719
Cash Reserve	7 000 000	7 000 000
Liquidity Account	-	-
	9 531 381	10 312 719

In “Deposits” are registered the deposits at Deutsche Bank, AG – London.

1.6 Loans to customers

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
Loans	45 010 156	73 919 617
Overdue loans	2 510 847	2 901 004
Portfolio acquisition premium/(discount)	-	-
Overdue interest	106 201	120 761
Accrued interest	103 076	177 421
Impairment	(3 040 552)	(3 556 614)
	44 689 729	73 562 188



In "Loans and advances to customers" it is recorded the nominal value of the credit acquired under the securitization transaction totalling €193 227 102 minus the amounts for interim capital receipts and impairment losses, plus the amount of buybacks of new credit and accrued interest. The amounts for capital receipts, buybacks of new credit and write-offs have the following breakdown:

<i>(Expressed in EUR)</i>					
Year	Begginig Balance	Reimbursement	Purchases	Write-off	Ending Balance
2017	193 227 102	(48 109 199)	42 636 708	-	187 754 611
2018	187 754 611	(71 881 929)	55 794 331	-	171 667 013
2019	171 667 013	(60 661 169)	6 547 722	(298 094)	117 255 472
2020	117 255 472	(38 989 830)	-	(1 445 021)	76 820 621
2021	76 820 621	(28 539 135)	-	(760 482)	47 521 003

Changes in impairment for credit risks have the following breakdown:

<i>(Expressed in EUR)</i>		
Description	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	(3 556 614)	(3 865 636)
Impairment losses	(620 878)	(1 166 601)
Reversal of impairment losses	1 136 941	1 475 623
Loans Written-off	-	-
Balance on 31 December	(3 040 552)	(3 556 614)

In "Loan impairment" it is recorded the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

The impairment for recorded credit is affected by the Deemed Principal Loss («DPL») policy defined in the operation's prospectus.

1.7 Other assets

<i>(Expressed in EUR)</i>		
Description	31-12-2021	31-12-2020
Receivables	-	-
Up Front Fee	1 877	2 016
	1 877	2 016

In "Up- front fee" it is recorded the amount not yet recognized in the results for the initial fee paid for the transaction, which is deferred until maturity, representing the services performed by the Company for the transaction.



1.8 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	54 374 340	84 223 487
Accrued interest	227 439	394 662
Issued notes premium	20 347	21 856
Issued notes discount	-	-
Others	(521 096)	(907 652)
	54 101 030	83 732 353

In the line "Others" it is being registered the estimation shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.

According to the established, the bonds' repayment date began in February 2019, ending in June 2035, legal maturity data for all tranches. The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2017	200 200 000	-	200 200 000
2018	200 200 000	-	200 200 000
2019	200 200 000	(74 082 290)	126 117 710
2020	126 117 710	(41 894 222)	84 223 487
2021	84 223 487	(29 849 148)	54 374 340

1.9 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	7 688	9 533
Issuer fee	5 833	5 833
Others	106 201	120 761
Paying agent fee	-	-
Service fee	1 108	7 317
Transaction Manager	1 127	1 127
Other Payable	-	-
	121 957	144 570

In the line "Others", it is recorded the consideration for overdue interest recognized in "Loans to customers" (nota 1.6). This interest will not be recognized in the results for the year until it is received.



2. Aqua Mortgage No. 1

On 9th December 2008, the Company carried out the transaction “Aqua Mortgage No. 1”. This transaction was for the acquisition of a mortgage portfolio of Finibanco, S.A. in the amount of € 233,000,000 and the respective issuance of securitized bonds divided into 3 tranches: € 203,176,000 Class A, € 29,824,000 Class B, € 3,500,000 Class C. The first two were issued at par, while tranche C was issued with a premium of € 925,000. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31 December 2021 were as follows:

Aqua MTG

	DBRS	S&P
Class A	AAA (sf)	A+
Class B	-	-
Class C	-	-

The remuneration of the first two tranches is indexed to the six-month Euribor plus a 0.15% spread for Class A and a 0.40% spread for Class B. The Class C bonds have no set interest rate, with entitlement to amounts available after the transaction's other responsibilities have been met, as stipulated in its terms and conditions.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in January 2011, ending in December 2063, the legal maturity date for all the tranches.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under mortgage agreements (including housing loans granted under Decree Law no. 348/98 of 11 November).

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Aqua Mortgage No. 1					
Class A-Notes	December 2063	49 446 848	EUR 6 M + 0,15%	0.00%	0.00%
Class B-Notes	December 2063	17 594 980	EUR 6 M + 0,40%	0.00%	0.04%
Class C-Notes	December 2063	3 500 000	-	-	-
		70 541 828			

In “Debt securities issued” is recorded the carrying value of securitization bonds within the scope of the securitization transaction. This issuance includes two tranches of bonds (“Class A



Notes” and “Class B Notes”) with variable remuneration at the six-month Euribor plus a 0.15% and 0.40% spread, respectively, and a third tranche of bonds (“Class C Notes”) whose remuneration will be the difference between the amounts received and the remuneration paid to “Class A” and “Class B”. Each month, all amounts received from securitized credit interest and transferred to the Company are calculated. This amount is paid in full to the holder of the bonds.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

	<u>Notes</u>	<i>(Expressed in EUR)</i>	
		<u>2021</u>	<u>2020</u>
Interest and similiar income	2.1	1 239 737	1 911 485
Interest expense and similiar charges	2.1	(1 123 252)	(1 791 228)
Net interest income		116 485	120 257
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	2.2	177 408	(623 699)
General and administrative costs	2.3	(116 485)	(120 257)
Total Operating income/(expense)		60 923	(743 956)
Impairment losses on loans, net of reversals and recoveries	2.4	(177 408)	623 699
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as at 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
		<u>31-12-2021</u>	<u>31-12-2020</u>
<i>Assets</i>			
Deposits at other Credit Institutions	2.5	2 871 914	3 029 818
Balances due from other Credit Institutions		-	-
Loans to customers	2.6	67 042 660	75 263 259
Financial assets held for trading		-	-
Other Assets	2.7	10 040	10 177
Total Assets		<u>69 924 613</u>	<u>78 303 255</u>
<i>Liabilities</i>			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	2.8	69 905 770	78 279 109
Other liabilities	2.9	18 842	24 146
Total Liabilities		<u>69 924 613</u>	<u>78 303 255</u>
<i>Equity</i>			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		<u>-</u>	<u>-</u>
Total Equity and Liabilities		<u>69 924 613</u>	<u>78 303 255</u>

Off – balance sheet accounts (note 2.10)

To be read with the notes attached to the financial statements



Cash Flow Statement
for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(119 994)	(130 775)
<i>Cash flows arising from operating activities</i>	<u>(119 994)</u>	<u>(130 775)</u>
Investing Activities		
Receivables:		
Customers Loans	8 561 905	11 491 729
Interest income	453 409	698 318
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	<u>9 015 314</u>	<u>12 190 047</u>
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(8 660 871)	(10 974 032)
Interest Expenses	(392 355)	(1 602 455)
<i>Cash flows arising from financing activities</i>	<u>(9 053 226)</u>	<u>(12 576 487)</u>
Net changes in cash and cash equivalents	(157 906)	(517 215)
Cash and cash equivalents balance at the beginning of the year	<u>3 029 819</u>	<u>3 547 034</u>
Cash and cash equivalents balance at the end of the year	<u>2 871 913</u>	<u>3 029 819</u>
Deposits at other Credit Institutions	2 871 913	3 029 819



2.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	973 780	1 588 139
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	265 957	323 346
	<u>1 239 737</u>	<u>1 911 485</u>
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(1 140 059)	(1 808 081)
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	16 807	16 853
	<u>(1 123 252)</u>	<u>(1 791 228)</u>
	<u>116 485</u>	<u>120 257</u>

As defined in the transaction's prospectus, the excess of the Cash Reserve is distributed in the form of interest to Class C holders and is recorded under the heading "Interest on securities issued". Because the Cash Reserve was issued with the issuance of Class C, an impairment on them is permitted (see Note 2.8) against other interest.

2.2 Net gains / losses arising from financial assets and liabilities at fair value through profit and loss

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other gains arising financial operations	177 408	-
	<u>177 408</u>	<u>-</u>
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other losses arising financial operations	-	(623 699)
	<u>-</u>	<u>(623 699)</u>
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	<u>177 408</u>	<u>(623 699)</u>

In "Other gains / Other losses arising from financial operations" it is being included the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 2.8).



2.3 General and administrative expenses

Description	(Expressed in EUR)	
	2021	2020
Agent bank fee	(12 480)	(12 480)
Audit fee	(18 530)	(19 803)
CMVM	(1 617)	(1 838)
Bank commissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	(3 690)	-
Interbolsa	-	-
Irish stock exchange fee	-	-
Issuer fee	(11 022)	(12 826)
Legal Fee	-	-
Other	-	-
Paying Agent fee	-	-
Rating Agency fee	(33 210)	(30 944)
Service fee	(35 936)	(42 366)
Transaction Manager	-	-
	(116 485)	(120 257)

2.4 Impairment losses on loans

Description	(Expressed in EUR)	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(299 501)	-
Reversal of impairment losses	122 093	623 699
	(177 408)	623 699

2.5 Deposits at other Credit Institutions

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
Deposits	830 312	731 602
Cash Reserve	2 041 602	2 298 216
Liquidity Account	-	-
	2 871 914	3 029 818

The line “Deposits” corresponds to deposits at Deutsche Bank, AG – London.

2.6 Loans to customers

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
Loans	67 658 717	75 972 446
Overdue loans	43 639	41 586
Portfolio acquisition premium/(discount)	-	-
Overdue interest	5 877	7 535
Accrued interest	18 416	24 987
Impairment	(683 989)	(783 293)
	67 042 660	75 263 259



In "Loans to customers" is being recorded the nominal value of the credit acquired under the securitization transaction totalling € 233,000,000 minus the amounts for interim capital receipts and impairment losses, plus the amount of buybacks of new credit and accrued interest. Amounts for capital receipts, buybacks of new credit and write-offs have the following breakdown:

<i>(Expressed in EUR)</i>						
Year	Begging Balance	Reimbursement	Purchases	Moratorium	Write-off	Ending Balance
2008	233 000 000	(3 081 699)	-	-	-	229 918 301
2009	229 918 301	(23 056 808)	23 610 716	-	-	230 472 209
2010	230 472 209	(20 100 692)	21 741 901	-	-	232 113 418
2011	232 113 418	(18 494 067)	-	-	-	213 619 351
2012	213 619 351	(19 088 748)	-	-	-	194 530 603
2013	194 530 603	(19 714 316)	-	-	(2 720 366)	172 095 921
2014	172 095 921	(14 179 188)	-	-	(2 456 659)	155 460 074
2015	155 460 074	(11 919 788)	-	-	(2 016 811)	141 523 475
2016	141 523 475	(13 517 940)	-	-	(1 374 292)	126 631 243
2017	126 631 243	(11 857 283)	-	-	(1 801 729)	112 972 231
2018	112 972 231	(12 692 589)	-	-	(293 901)	99 985 742
2019	99 985 742	(17 997 060)	-	-	4 630 208	86 618 890
2020	86 618 890	(11 491 848)	-	228 734	658 255	76 014 031
2021	76 014 031	(8 561 905)	-	-	250 230	67 702 355

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	(783 294)	(1 414 640)
Impairment losses	(299 501)	-
Reversal of impairment losses	122 094	623 699
Loans Written-off	276 713	7 647
Balance on 31 December	(683 988)	(783 294)

In the item "Loan impairment" is being recorded the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

2.7 Other assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	6 290	6 290
Up Front Fee	3 750	3 888
	10 040	10 177

In " Up- front fee" is being recorded the amount not yet recognized in the results for the initial fee paid for the transaction, which is deferred until maturity, representing the services performed by the Company for the transaction.



2.8 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	70 541 828	79 202 699
Accrued interest	676 342	237 239
Issued notes premium	705 354	722 161
Issued notes discount	-	-
Others	(2 017 753)	(1 882 990)
	69 905 770	78 279 109

In the line "Others" it is being registered the estimation shortcoming / surplus that would be assumed by the holders of the issued securities which results from (i) the impairment of the loan portfolio; and (ii) the fact that the prospectus of the transaction defines that the excess of Cash Reserve, which was constituted with the issuance of said class C bonds, is distributed in the form of interest to the holders of those bonds.

According to the established, the bonds' repayment date began in January 2011, ending in December 2063, legal maturity data for all tranches. The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2011	236 500 000	(19 873 473)	216 626 527
2012	216 626 527	(21 304 892)	195 321 635
2013	195 321 635	(21 034 469)	174 287 166
2014	174 287 166	(15 559 839)	158 727 327
2015	158 727 327	(14 273 704)	144 453 623
2016	144 453 623	(15 488 474)	128 965 149
2017	128 965 149	(13 398 757)	115 566 391
2018	115 566 391	(13 231 595)	102 334 796
2019	102 334 796	(12 158 064)	90 176 732
2020	90 176 732	(10 974 032)	79 202 699
2021	79 202 699	(8 660 871)	70 541 828

2.9 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	1 040	1 040
Audit fee	9 902	11 175
Issuer fee	470	1 023
Others	5 877	7 535
Paying agent fee	-	-
Service fee	1 553	3 374
Transaction Manager	-	-
Other Payable	-	-
	18 842	24 146

The "Other Payable" records the corresponding entry to the overdue interest recognized in the item Loans to Customers (note 2.6). This interest will only be recognized in the income statement when received.



2.10 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	1 845 525	1 750 664
Assets received as collateral	265 692 046	284 891 003
Swap interest rate	-	-
	267 537 570	286 641 667



3. Chaves Funding No. 8

On 28th November 2019, the Company carried out the transaction “Chaves Funding No.8”. This transaction was for the acquisition of a portfolio of consumer credit portfolio of 321 Crédito – IFC. S.A. and the respective issuance of securitized bonds divided into 2 tranches: € 294,975,000 Class A, issued at par due 2034 and € 16,025,000 Class B, issued at par due 2034. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

Class A remunerations is indexed to 1-Month Euribor plus a spread of 1.25%. Class B does not have a defined interest rate. Pursuant to the provisions of the contractual agreement, the bonds' remuneration is dependent on the assets' performance; in the event of these assets' delinquency, this is fully reflected in the remuneration of the bonds.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date on 28th November 2021, ending in November 2034, the legal maturity date for all the tranches.

The credits assigned correspond to capital repayment benefits and the payment of interest and other amounts due to the assignor under consumer loan agreements.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Chaves Funding Nº. 8					
Class A-Notes	November 2034	270 525 667	Fixa	1.25%	1.25%
Class B-Notes	November 2034	27 096 483	-	-	-
		297 622 150			

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. This issuance corresponds to 2 tranches of bonds. The first one “Class A-Notes” is indexed to the one-month Euribor plus a 1.25% spread and the second tranche of bonds (“Class B - Notes”) whose remuneration will be the difference between the amounts received and the remuneration paid to “Class A”. Each month, all amounts received from securitized credit interest and transferred to the Company are calculated. This amount is paid in full to the holder of the bonds.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	Notes	2021	2020
Interest and similiar income	3.1	30 507 797	30 372 004
Interest expense and similiar charges	3.1	(28 742 348)	(28 670 905)
Net interest income		1 765 449	1 701 099
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	3.2	6 987 760	8 899 341
General and administrative costs	3.3	(1 765 449)	(1 701 099)
Total Operating income/(expense)		5 222 311	7 198 242
Impairment losses on loans, net of reversals and recoveries	3.4	(6 987 760)	(8 899 341)
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	3.5	4 119 857	7 157 976
Balances due from other Credit Institutions		-	-
Loans to customers	3.6	280 806 642	449 873 386
Financial assets held for trading		-	-
Other Assets	3.7	3 933 685	829 401
Total Assets		288 860 184	457 860 763
Liabilities			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	3.8	288 434 189	457 411 991
Other liabilities	3.9	425 994	448 772
Total Liabilities		288 860 184	457 860 763
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		288 860 184	457 860 763

To be read with the notes attached to the financial statements.



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(1 799 539)	(1 679 947)
<i>Cash flows arising from operating activities</i>	(1 799 539)	(1 679 947)
Investing Activities		
Receivables:		
Customers Loans	158 412 660	(136 873 389)
Interest income	31 081 150	29 445 932
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	189 493 810	(107 427 457)
Financing Activities		
Receivables:		
Debt securities issued	98 579 249	131 911 124
Payments:		
Debt securities issued	(263 460 342)	(260 997)
Interest Expenses	(25 851 297)	(23 951 572)
<i>Cash flows arising from financing activities</i>	(190 732 390)	107 698 555
Net changes in cash and cash equivalents	(3 038 120)	(1 408 849)
Cash and cash equivalents balance at the beginning of the year	7 157 976	8 566 825
Cash and cash equivalents balance at the end of the year	4 119 857	7 157 976
Deposits at other Credit Institutions	4 119 857	7 157 976



3.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	30 507 797	30 372 004
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	<u>30 507 797</u>	<u>30 372 004</u>
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(28 674 065)	(28 652 042)
Interest from deposits	(68 283)	(18 864)
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	<u>(28 742 348)</u>	<u>(28 670 905)</u>
<i>Net interest income</i>	<u>1 765 449</u>	<u>1 701 099</u>

3.2 Net gains / losses arising from financial assets and liabilities at fair value through profit and loss:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other gains arising financial operations	6 987 760	8 899 341
	<u>6 987 760</u>	<u>8 899 341</u>
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other losses arising financial operations	-	-
	<u>-</u>	<u>-</u>
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	<u>6 987 760</u>	<u>8 899 341</u>

The items “Other gains / Other losses arising from financial operations “include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 3.8).



3.3 General and Administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(15 375)	(9 225)
CMVM	(9 140)	(4 102)
Bank commissions	-	-
Commitment Fee	(533 463)	(535 398)
Common Representative	-	-
Euronext	-	-
Interbolsa	(9 887)	(9 530)
Irish stock exchange fee	-	-
Issuer fee	(76 183)	(65 134)
Legal Fee	(1 476)	(20 540)
Other	-	-
Paying Agent fee	(12 480)	(11 440)
Rating Agency fee	-	-
Service fee	(1 091 845)	(1 031 430)
Transaction Manager	(15 600)	(14 300)
	(1 765 449)	(1 701 099)

3.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(8 390 682)	(8 899 341)
Reversal of impairment losses	1 402 922	-
	(6 987 760)	(8 899 341)

3.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	3 313 268	5 754 158
Cash Reserve	806 588	1 403 818
Liquidity Account	-	-
	4 119 857	7 157 976

The line "Deposits" corresponds to deposits at Citibank.



3.6 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	289 784 476	456 895 098
Overdue loans	697 058	562 137
Portfolio acquisition premium/(discount)	-	-
Overdue interest	346 440	334 794
Accrued interest	1 172 994	1 383 455
Impairment	(11 194 327)	(9 302 099)
	280 806 642	449 873 386

In "Loans to customers" is being recorded the nominal value of the credit acquired under the securitization transaction totalling € 310.500.000 minus the amounts for interim capital receipts and impairment losses, plus the amount of buybacks of new credit and accrued interest. Amounts for capital receipts, buybacks of new credit and write-offs have the following breakdown:

Year	<i>(Expressed in EUR)</i>				
	Begging Balance	Reimbursement	Purchases	Write-off	Ending Balance
2019	310 500 000	(12 013 728)	24 561 578	-	323 047 849
2020	323 047 849	(76 678 319)	213 551 708	(2 464 003)	457 457 235
2021	457 457 235	(354 267 615)	192 387 446	(5 095 532)	290 481 534

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	(9 302 099)	(2 866 761)
Impairment losses	(8 390 682)	(8 899 341)
Reversal of impairment losses	1 402 922	-
Loans Written-off	5 095 532	2 464 003
Balance on 31 December	(11 194 327)	(9 302 099)

In the item "Loan impairment" is being recorded the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

3.7 Other Assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	3 929 383	824 765
Up Front Fee	4 302	4 635
	3 933 685	829 401



3.8 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	297 622 150	462 355 031
Accrued interest	2 503 514	4 202 886
Issued notes premium	-	-
Issued notes discount	-	-
Others	(11 691 474)	(9 145 925)
	288 434 189	457 411 991

In the line "Others" it is being registered the estimation shortcoming / surplus that would be assumed by the holders of the issued securities if the operation ended on 31 December 2021.

According to the established, the bonds' repayment date began in November 2021, ending in December 2034, legal maturity data for all tranches. The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>			
	Initial	Amortization	New	Ending
2019	311 000 000	-	18 540 088	329 540 088
2020	329 540 088	(260 997)	133 075 940	462 355 031
2021	462 355 031	(263 460 342)	98 727 461	297 622 150

3.9 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	7 688	7 688
Audit fee	65 167	99 590
Issuer fee	5 400	5 400
Others	-	-
Paying agent fee	1 300	1 300
Service fee	-	-
Transaction Manager	346 440	334 794
Other Payable	-	-
	425 994	448 772

The "Other Payable" records the corresponding entry to the overdue interest recognized in the item Loans to Customers (note 3.6). This interest will only be recognized in the income statement when received.



4. Green Belém No.1

On 30th April 2020, the Company carried out the transaction “RMBS Green Belém No. 1”. This transaction was for the acquisition of a portfolio of mortgage loan of União de Créditos Imobiliários in the amount of € 385.000.029 and the respective issuance of securitized bonds divided into 3 tranches: € 331.300.000 Class A, € 25.500.000 Class B and Euros 35.200.000 Class C. Class A and B tranches were issued at par and the class C tranche was issued at 100,303%, that is, it was issued at a premium. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31 December 2021 were as follows:

	DBRS	Fitch
Class A	AAA (sf)	AA
Class B	A (high) (sf)	BBB
Class C	-	-

The remuneration of the three tranches is indexed to the three-month Euribor plus a 0.55% spread for Class A, a 0.75% spread for Class B and 2.7% spread for Class C.

Class A Notes are registered with Interbolsa and are listed on Euronext Lisbon. Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in September 2020, ending in March 2063, the legal maturity date for all the tranches.

In accordance with the contractual provisions, the remuneration of the obligations (including the reimbursement capital) is dependent on the performance of the assets, and in the event of default of these assets this is fully reflected in the remuneration of the obligations.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under mortgage agreements.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.



Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Green Belem No.1					
Class A-Notes	March 2063	247 458 908	EUR 3 M + 0.55%	0.56%	0.01%
Class B-Notes	March 2063	25 500 000	EUR 3 M + 0.75%	0.76%	0.21%
Class C-Notes	March 2063	35 200 000	EUR 3 M + 2.70%	2.73%	2.16%
		308 158 908			

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. This issuance corresponds to 3 tranches of bonds (“Class A Notes”, “Class B Notes” e “Class C Notes”). The remuneration of the three tranches is indexed to the three-month Euribor plus a 0.55% spread for Class A, a 0.75% spread for Class B and 2.7% spread for Class C.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		2021	2020
Interest and similiar income	4.1	6 100 078	6 154 120
Interest expense and similiar charges	4.1	(5 783 993)	(5 258 935)
Net interest income		316 085	895 184
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	4.2	(2 213)	20 350
General and administrative costs	4.3	(316 085)	(895 184)
Total Operating income/(expense)		(318 298)	(874 835)
Impairment losses on loans, net of reversals and recoveries	4.4	2 213	(20 350)
Operating income		()	
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	4.5	9 030 476	9 865 886
Balances due from other Credit Institutions		-	-
Loans to customers	4.6	298 766 287	350 748 625
Financial assets held for trading		-	-
Other Assets	4.7	568 634	832 615
Total Assets		308 365 396	361 447 125
Liabilities			
Other Loans		-	-
Financial liabilities held for trading		649 915	96 308
Debt securities issued	4.9	307 697 629	361 333 597
Other liabilities	4.10	17 853	17 220
Total Liabilities		308 365 396	361 447 125
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		308 365 396	361 447 125

To be read with the notes attached to the financial statements



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(316 085)	(1 546 215)
<i>Cash flows arising from operating activities</i>	(316 085)	(1 546 215)
Investing Activities		
Receivables:		
Customers Loans	52 397 264	(350 185 157)
Interest income	5 930 033	5 314 815
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	58 327 297	(344 870 342)
Financing Activities		
Receivables:		
Debt securities issued	-	392 106 656
Payments:		
Debt securities issued	(52 847 722)	(30 993 370)
Interest Expenses	(5 998 901)	(4 830 842)
Dividends	-	-
<i>Cash flows arising from financing activities</i>	(58 846 623)	356 282 444
Net changes in cash and cash equivalents	(835 411)	9 865 886
Cash and cash equivalents balance at the beginning of the year	9 865 886	-
Cash and cash equivalents balance at the end of the year	9 030 476	9 865 886
Deposits at other Credit Institutions	9 030 476	9 865 886



4.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	6 100 078	6 154 120
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	<u>6 100 078</u>	<u>6 154 120</u>
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(5 764 534)	(5 169 479)
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	(19 459)	(89 457)
	<u>(5 783 993)</u>	<u>(5 258 935)</u>
<i>Net interest income</i>	<u>316 085</u>	<u>895 184</u>

4.2 Net gains / Losses arising from financial assets and liabilities at fair value through profit and loss:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	731 945	96 308
Other gains arising financial operations	-	20 350
	<u>731 945</u>	<u>116 657</u>
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	(731 945)	(96 308)
Other losses arising financial operations	(2 213)	-
	<u>(734 158)</u>	<u>(96 308)</u>
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	<u>(2 213)</u>	<u>20 350</u>

The headings Other income and gains / Other costs and losses on financial operations include the recognition, in the year, of the insufficiency/excess assumed by the holders of the securities (note 4.9).



4.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(16 605)	(56 691)
CMVM	(7 091)	(16 482)
Bank commissions	-	-
Commitment Fee	-	-
Common Representative	(7 500)	(14 500)
Euronext	-	(32 585)
Interbolsa	(7 907)	(4 755)
Irish stock exchange fee	-	-
Issuer fee	(80 000)	(91 667)
Legal Fee	-	(245 411)
Other	-	-
Paying Agent fee	-	-
Rating Agency fee	(36 900)	(327 180)
Service fee	(24 000)	(14 000)
Transaction Manager	(136 082)	(91 914)
	(316 085)	(895 184)

4.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(28 374)	(28 562)
Reversal of impairment losses	30 587	8 212
	2 213	(20 350)

4.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	4 494 506	4 548 916
Cash Reserve	4 535 970	5 316 970
Liquidity Account	-	-
	9 030 476	9 865 886

The line “Deposits” corresponds to deposits at Deutsche Bank, AG – London.



4.6 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	298 396 919	350 284 147
Overdue loans	872	246
Portfolio acquisition premium/(discount)	-	-
Overdue interest	883	251
Accrued interest	385 749	484 330
Impairment	(18 136)	(20 350)
	298 766 287	350 748 625

The item "Loans and advances to customers" records the nominal value of the credit acquired under the securitization transaction, minus interim capital receipts and impairment losses, plus accrued interest.

The amounts referring to the receipts of capital that occurred in the meantime, repurchases of new credits and the Write-offs are analysed as follows:

Year	<i>(Expressed in EUR)</i>					
	Begging Balance	Reimbursement	Purchases	Moratorium	Write-off	Ending Balance
2020	-	(35 070 611)	385 000 029	354 975	-	350 284 393
2021	350 284 393	(52 149 141)	-	74 560	187 980	298 397 791

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	-	-
Impairment losses	(20 350)	-
Reversal of impairment losses	(28 374)	(28 562)
Loans Written-off	30 587	8 212
Balance on 31 December	(18 136)	(20 350)

The item "Loan impairment" records the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

4.7 Other assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	568 634	832 615
Up Front Fee	-	-
	568 634	832 615

In "Up- front fee" it is recorded the amount not yet recognized in the results for the initial fee paid for the transaction, which is deferred until maturity, representing the services performed by the Company for the transaction.



4.8 Financial liabilities held for trading

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Swap	649 915	96 308
	649 915	96 308

4.9 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	308 158 908	361 006 630
Accrued interest	1 623 177	1 857 545
Issued notes premium	102 503	104 988
Issued notes discount	-	-
Others	(2 186 959)	(1 635 565)
	307 697 629	361 333 597

The item "Others" corresponds to the estimated shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.

The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>			
	Initial Amount	Amortization	New emissions	Ending Balance
2020	-	(30 993 370)	392 000 000	361 006 630
2021	361 006 630	(52 847 722)	-	308 158 908

4.10 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	8 303	8 303
Issuer fee	6 667	6 667
Others	883	251
Paying agent fee	-	-
Service fee	2 000	2 000
Transaction Manager	-	-
Other Payable	-	-
	17 853	17 220

The "Other Payable" records the corresponding entry to the overdue interest recognized in the item Loans to Customers (note 4.6). This interest will only be recognized in the income statement when received.



4.11 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	-	-
Assets received as collateral	600 373 189	675 345 805
Swap interest rate	118 002 477	126 302 944
	718 375 666	801 648 749



5. Next Funding No. 1

On 1st April 2021, the Company carried out the transaction “Next Funding No. 1”. This transaction was for the acquisition of a portfolio of credits from the card Universo of Sonae Financial Services in the initial amount of Euros 104,118,090 and the respective issuance of securitized bonds Euros 112.118.090. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

Securitized bonds do not have a defined interest rate.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in April 2021, ending in December 2033, the legal maturity date for all the tranches. In accordance with the contractual provisions, the remuneration of the obligations (including the reimbursement capital) is dependent on the performance of the assets, and in the event of default of these assets this is fully reflected in the remuneration of the obligations.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under mortgage agreements.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Next Funding No.1 Notes	December 2033	264 794 406	Fixa	6.77%	n.a
		<u>264 794 406</u>			

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. Each month, all amounts received from securitized credit interest and transferred to the Company are calculated. This amount is paid in full to the holder of the bonds.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

		(Expressed in EUR)	
	Notes	2021	2020
Interest and similiar income	5.1	8 536 523	-
Interest expense and similiar charges	5.1	(9 858 700)	-
Net interest income		(1 322 177)	-
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	5.2	8 614 866	-
General and administrative costs	5.3	(677 671)	-
Total Operating income/(expense)		7 937 195	-
Impairment losses on loans, net of reversals and recoveries	5.4	(6 615 018)	-
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

	Notes	(Expressed in EUR)	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	5.5	8 000 000	-
Balances due from other Credit Institutions	5.6	268 772	-
Loans to customers	5.7	286 511 333	-
Financial assets held for trading		-	-
Other Assets		-	-
Total Assets		294 780 105	-
Liabilities			
Other Loans	5.8	36 182 264	-
Financial liabilities held for trading		-	-
Debt securities issued	5.9	258 385 129	-
Other liabilities	5.10	212 711	-
Total Liabilities		294 780 105	-
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		294 780 105	-

To be read with the notes attached to the financial statements



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	610 236	-
<i>Cash flows arising from operating activities</i>	610 236	-
Investing Activities		
Receivables:		
Customers Loans	(293 586 907)	-
Interest income	-	-
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	36 182 264	-
<i>Cash flows arising from investing activities</i>	(257 404 643)	-
Financing Activities		
Receivables:		
Debt securities issued	268 794 406	-
Payments:		
Debt securities issued	(4 000 000)	-
Interest Expenses	-	-
<i>Cash flows arising from financing activities</i>	264 794 406	-
Net changes in cash and cash equivalents	8 000 000	-
Cash and cash equivalents balance at the beginning of the year	-	-
Cash and cash equivalents balance at the end of the year	8 000 000	-
Deposits at other Credit Institutions	8 000 000	-



5.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	11 772 662	-
Interest from deposits	-	-
Portfolio Acquisition premium	(3 236 140)	-
Other interest	-	-
	8 536 523	-
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(9 825 047)	-
Interest from deposits	(33 653)	-
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	(9 858 700)	-
<i>Net interest income</i>	(1 322 177)	-

5.2 Net gains / losses arising from financial assets and liabilities at fair value through profit and loss:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other gains arising financial operations	11 805 198	-
	11 805 198	-
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other losses arising financial operations	(3 190 332)	-
	(3 190 332)	-
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	8 614 866	-

The item "Profits / Losses in transactions with financial trading instruments – swaps" includes changes in fair value and interest accrued from financial derivatives.

The items “Other gains / Other losses arising from financial operations include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 5.9).



5.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(19 680)	-
CMVM	(11 743)	-
Bank commissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	-
Interbolsa	(2 100)	-
Irish stock exchange fee	-	-
Issuer fee	(87 500)	-
Legal Fee	(175 910)	-
Other	-	-
Paying Agent fee	(7 280)	-
Rating Agency fee	-	-
Service fee	(339 399)	-
Transaction Manager	(34 060)	-
	(677 671)	-

5.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(6 615 018)	-
Reversal of impairment losses	-	-
	(6 615 018)	-

5.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	8 000 000	-
Cash Reserve	-	-
Liquidity Account	-	-
	8 000 000	-

The item “Deposits” corresponds to deposits at Deutsche Bank, AG - London.

5.6 Investments at other credit institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits at other Credit Institutions	268 772	-
	268 772	-



5.7 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	292 303 955	-
Overdue loans	684 959	-
Portfolio acquisition premium/(discount)	(12 243)	-
Overdue interest	149 681	-
Accrued interest	-	-
Impairment	(6 615 018)	-
	286 511 333	-

The item "Loans to customers" records the nominal value of the credit acquired under the securitization transaction totalling Euros 104.118.090, minus interim capital receipts and impairment losses, plus the amount of buybacks of new credit and accrued interest.

Amounts for interim capital receipts, buybacks of new credit and write-offs have the following breakdown:

Year	<i>(Expressed in EUR)</i>				
	Beggining Balance	Reimbursement	Purchases	Write-off	Ending Balance
2021	104 118 090	(541 441 863)	730 910 679	(597 993)	292 988 914

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	-	-
Impairment losses	(6 615 018)	-
Reversal of impairment losses	-	-
Loans Written-off	-	-
Balance on 31 December	(6 615 018)	-

The item "Loan impairment" records the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

5.8 Other Loans

Descrição	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Bank loans	36 182 264	-
	36 182 264	-

The balance of this account relates to the financing obtained from the CTT, S.A. Bank, which can be used to buy credits.



5.9 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	264 794 406	-
Accrued interest	2 205 589	-
Issued notes premium	-	-
Issued notes discount	-	-
Others	(8 614 866)	-
	258 385 129	-

The item "Others" corresponds to the estimated shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.

The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>			
	Initial Amount	Amortization	New emissions	Ending Balance
2021	112 118 090	(4 000 000)	156 676 316	264 794 406

5.10 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	19 680	-
Issuer fee	10 000	-
Others	149 681	-
Paying agent fee	-	-
Service fee	30 317	-
Transaction Manager	3 033	-
Other Payable	-	-
	212 711	-

The caption Others includes the contra-entry of interest due recognized in the caption Loans to customers (note 5.7). This interest will only be recognized in profit or loss when received. On 31 December 2021 this caption included the amount for the margin account under the contracted swap.



6. Nostrum Mortgages No. 2

On 5th November 2010, the Company carried out the transaction “Nostrum Mortgages No. 2”. This transaction was for the acquisition of a mortgage portfolio of Caixa Geral de Depósitos in the amount of € 5,345,050,000 and the respective issuance of securitized bonds divided into 3 tranches: € 4,008,800,000 Class A, € 1,336,250,000 Class B, € 84,900,000 Class C. The 3 tranches were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

	S&P	Fitch	Moody's
Class A	A	AA	Aa2
Class B	-	-	-
Class C	-	-	-

The bonds' remuneration is indexed to the three-month Euribor, plus a spread of 0.2% and 0.3% for Class A and Class B, respectively. The Class C Bonds do not have a set interest rate, with entitlement to the available amounts after the transaction's other responsibilities have been fulfilled, as stipulated in its terms and conditions.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 20th February 2011, ending on 20th May 2065, the legal maturity date for all the tranches. Pursuant to the provisions of the contractual agreement, the bonds' remuneration (including the repayment of capital) is dependent on the assets' performance; in the event of these assets' delinquency, this is fully reflected in the remuneration of the bonds.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under mortgage agreements.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Nostrum Mortgage No.2					
Class A-Notes	May 2065	1 267 228 714	EUR 3 M + 0,2%	0.00%	0.00%
Class B-Notes	May 2065	1 336 250 000	EUR 3 M + 0,3%	0.00%	0.00%
Class C-Notes	May 2065	79 923 053	-	-	-
		2 683 401 767			

The item “Debt securities issued” records the carrying value of securitization bonds issued within the scope of the securitization transaction. This issuance includes two tranches of bonds (“Class A Notes” and “Class B Notes”) with variable remuneration indexed to the three-month



Euribor plus a 0.2% and 0.3% spread, respectively, and a third tranche of bonds (“Class C Notes”) whose remuneration will be the difference between the amounts received and the remuneration paid to “Class A” and “Class B”. Each quarter, all amounts received from securitized credit interest and transferred to the transaction are calculated. This amount minus costs will be paid to the holders of the bonds.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	Notes	2021	2020
Interest and similiar income	6.1	45 703 404	56 007 211
Interest expense and similiar charges	6.1	(30 470 924)	(44 174 751)
Net interest income		15 232 480	11 832 459
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	6.2	(18 070 553)	(2 597 136)
General and administrative costs	6.3	(766 791)	(765 398)
Total Operating income/(expense)		(18 837 345)	(3 362 534)
Impairment losses on loans, net of reversals and recoveries	6.4	3 604 865	(8 469 925)
Operating income		(0)	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
		<u>31-12-2021</u>	<u>31-12-2020</u>
Assets			
Deposits at other Credit Institutions	6.5	128 789 146	135 884 523
Balances due from other Credit Institutions	6.6	15 206 745	18 332 553
Loans to customers	6.7	2 561 273 845	2 807 919 786
Financial assets held for trading		-	-
Other Assets		-	-
Total Assets		<u>2 705 269 735</u>	<u>2 962 136 862</u>
Liabilities			
Other Loans		-	-
Financial liabilities held for trading	6.8	8 116 475	15 829 322
Debt securities issued	6.9	2 681 846 574	2 927 819 358
Other liabilities	6.10	15 306 686	18 488 182
Total Liabilities		<u>2 705 269 735</u>	<u>2 962 136 862</u>
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		<u>-</u>	<u>-</u>
Total Equity and Liabilities		<u>2 705 269 735</u>	<u>2 962 136 862</u>

Off-balance sheet accounts (note 6.11)

To be read with the notes attached to the financial statements.



Cash Flow Statement
for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(788 168)	(769 819)
<i>Cash flows arising from operating activities</i>	<u>(788 168)</u>	<u>(769 819)</u>
Investing Activities		
Receivables:		
Customers Loans	251 002 059	245 371 823
Interest income	53 523 474	68 906 967
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	<u>304 525 534</u>	<u>314 278 790</u>
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(260 736 705)	(247 935 873)
Interest Expenses	(50 096 038)	(65 728 393)
<i>Cash flows arising from financing activities</i>	<u>(310 832 743)</u>	<u>(313 664 266)</u>
Net changes in cash and cash equivalents	(7 095 378)	(155 296)
Cash and cash equivalents balance at the beginning of the year	<u>135 884 523</u>	<u>136 039 819</u>
Cash and cash equivalents balance at the end of the year	<u>128 789 146</u>	<u>135 884 523</u>
Deposits at other Credit Institutions	128 789 146	135 884 523



6.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	45 703 404	56 007 211
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	<u>45 703 404</u>	<u>56 007 211</u>
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(30 048 809)	(43 945 012)
Interest from deposits	(422 115)	(229 739)
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	<u>(30 470 924)</u>	<u>(44 174 751)</u>
<i>Net interest income</i>	<u>15 232 480</u>	<u>11 832 459</u>

6.2 Net gains / (losses) arising from financial assets and liabilities at fair value through profit and loss:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	16 108 038	24 395 729
Other gains arising financial operations	1 637 347	23 385 672
	<u>17 745 385</u>	<u>47 781 400</u>
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	(23 068 467)	(28 014 281)
Other losses arising financial operations	(12 747 472)	(22 364 255)
	<u>(35 815 938)</u>	<u>(50 378 536)</u>
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	<u>(18 070 553)</u>	<u>(2 597 136)</u>

The item "Profits / Losses in transactions with financial trading instruments – swaps" includes changes in fair value and interest accrued from financial derivatives.

The items “Other gains / Other losses arising from financial operations” include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 6.9).



6.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	(16 033)	(16 120)
Audit fee	(29 520)	(29 520)
CMVM	(64 621)	(69 610)
Bank commissions	(650)	(650)
Commitment Fee	(107)	(143)
Common Representative	-	-
Euronext	-	-
Interbolsa	(56 687)	(61 162)
Irish stock exchange fee	-	-
Issuer fee	(208 541)	(227 973)
Legal Fee	-	-
Other	-	-
Paying Agent fee	-	-
Rating Agency fee	(113 474)	(56 257)
Service fee	(277 158)	(303 963)
Transaction Manager	-	-
	(766 791)	(765 398)

6.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(1 343 198)	(19 973 507)
Reversal of impairment losses	4 948 063	11 503 581
	3 604 865	(8 469 925)

6.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	48 866 092	55 772 731
Cash Reserve	79 923 053	80 111 792
Liquidity Account	-	-
	128 789 146	135 884 523

The line “Deposits” corresponds to deposits at Banco Santander SA (Madrid).

6.6 Investments at other credit institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits at other Credit Institutions	15 206 745	18 332 553
	15 206 745	18 332 553

The balance of this account is related to the margin account related to contracted swap.



6.7 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	2 560 716 344	2 811 861 143
Overdue loans	967 886	1 005 374
Portfolio acquisition premium/(discount)	-	-
Overdue interest	10 186	44 496
Accrued interest	412 745	1 653 600
Impairment	(833 317)	(6 644 827)
	2 561 273 845	2 807 919 786

The item "Loans to customers" records the nominal value of the credit acquired under the securitization transaction totalling €5,345,050,000, minus interim capital receipts and impairment losses, and plus accrued interest. Amounts for capital receipts and write-offs have the following breakdown:

Year	<i>(Expressed in EUR)</i>				
	Beggining Balance	Reimbursement	Purchases	Write-off	Ending Balance
2010	5 345 050 000	(64 014 228)	-	-	5 281 035 772
2011	5 281 035 772	(219 759 792)	-	(1 688 477)	5 059 587 503
2012	5 059 587 503	(144 048 444)	-	(54 362 910)	4 861 176 149
2013	4 861 176 149	(158 505 681)	-	(57 347 593)	4 645 322 875
2014	4 645 322 875	(173 084 405)	-	(27 033 951)	4 445 204 519
2015	4 445 204 519	(201 652 366)	-	(31 796 125)	4 211 756 028
2016	4 211 756 028	(241 503 460)	139 859	(26 889 806)	3 943 502 622
2017	3 943 502 622	(272 317 426)	86 307	(18 140 950)	3 653 130 552
2018	3 653 130 552	(289 179 633)	-	(11 213 827)	3 352 737 092
2019	3 352 737 092	(284 553 596)	-	(5 704 824)	3 062 478 672
2020	3 062 478 672	(245 371 823)	-	(4 240 333)	2 812 866 517
2021	2 812 866 517	(251 002 059)	-	(180 228)	2 561 684 229

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	(6 644 827)	(2 415 235)
Impairment losses	(1 343 198)	(19 973 507)
Reversal of impairment losses	4 948 063	11 503 581
Loans Written-off	2 206 645	4 240 333
Balance on 31 December	(833 317)	(6 644 827)

The item "Loan impairment" records the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.



6.8 Financial Liabilities held for trading

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2019
Swaps	8 116 475	15 829 322
	8 116 475	15 829 322

The item "Swaps" corresponds to the fair value of the interest rate swap under the Nostrum Mortgages No. 2 transaction and accrued interest.

The detail of the fair value of the swap with reference to 31st December 2021 and 2020 is shown in the following table:

	Notional Amount	Maturity	Fair Value 2021	Fair Value 2020
Nostrum Mortgage No.2	2 601 691 355	Maior 2065	7 656 138	15 161 397

The counterparty of the Derivative is Banco Santander, S.A.

6.9 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	2 683 401 767	2 944 138 472
Accrued interest	7 017 074	6 044 185
Issued notes premium	-	-
Issued notes discount	-	-
Others	(8 572 268)	(22 363 300)
	2 681 846 574	2 927 819 358

The item "Other" recognizes the shortcoming / surplus that would be assumed by the holders of the issued securities if the transactions were closed out on 31st December 2021.

The amounts of interim repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2011	5 429 950 000	(267 213 955)	5 162 736 045
2012	5 162 736 045	(183 537 385)	4 979 198 660
2013	4 979 198 660	(220 287 043)	4 758 911 617
2014	4 758 911 617	(198 112 853)	4 560 798 764
2015	4 560 798 764	(226 709 509)	4 334 089 255
2016	4 334 089 255	(265 769 087)	4 068 320 168
2017	4 068 320 168	(284 210 654)	3 784 109 514
2018	3 784 109 514	(299 427 729)	3 484 681 785
2019	3 484 681 785	(292 607 440)	3 192 074 345
2020	3 192 074 345	(247 935 873)	2 944 138 472
2021	2 944 138 472	(260 736 705)	2 683 401 767



6.10 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	3 727	3 293
Audit fee	15 990	30 750
Issuer fee	21 830	24 467
Others	15 236 931	18 397 049
Paying agent fee	-	-
Service fee	28 209	32 623
Transaction Manager	-	-
Other Payable	-	-
	15 306 686	18 488 182

The item "Others" includes the consideration for overdue interest recognized in the item "Loans to customers" (note 6.7). This interest will not be recognized in the results for the year until it is received. On 31 December 2021 this caption included the amount for the margin account under the contracted swap.

6.11 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	31 140 585	51 241 712
Assets received as collateral	3 794 976 773	4 028 477 424
Swap interest rate	2 601 691 355	2 859 204 782
	6 427 808 712	6 938 923 919

**7. Pelican Finance No. 1**

On 7th May 2014, the Company carried out the transaction “Pelican Finance No. 1”. This transaction entailed the acquisition of a portfolio of consumer credit lines and auto loans of Caixa Económica Montepio Geral totalling € 293,994,013.71, with € 176,535,071.95 from Montepio and € 117,458,941.71 from Montepio Crédito. In addition, the transaction resulted in the issuance of securitized bonds divided into 3 tranches: € 202,900,000 Class A, € 91,100,000 Class B, € 14,700,000 Class C. The 3 tranches were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The remuneration of the first 2 tranches is fixed at 3% for Class A and at 4% for Class B. The Class C Bonds do not have a set interest rate, with entitlement to the available amounts after the transaction's other responsibilities have been fulfilled, as stipulated in its terms and conditions.

The operation was settled in advance on February 26, 2021, with the full reimbursement of the obligations.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

Debt securities issued

The item “Debt securities issued” records the carrying value of securitization bonds issued within the scope of the securitization transaction. This issuance includes three tranches of bonds (“Class A Notes” and “Class B Notes”) with fixed remuneration of 3% and 4%, respectively, and a third tranche of bonds (“Class C Notes”) whose remuneration will be the difference between the amounts received and the remuneration paid to “Class A” and “Class B”. “

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	Notes	2021	2020
Interest and similiar income	7.1	1 772 808	7 326 644
Interest expense and similiar charges	7.1	(1 665 515)	(7 100 970)
Net interest income		107 293	225 674
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	7.2	(825 708)	(307 201)
General and administrative costs	7.3	(107 293)	(225 674)
Total Operating income/(expense)		(933 002)	(532 875)
Impairment losses on loans, net of reversals and recoveries	7.4	825 708	307 201
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	<u>31-12-2021</u>	<u>31-12-2020</u>
Assets		
Deposits at other Credit Institutions	7.5	- 18 180 858
Balances due from other Credit Institutions		-
Loans to customers	7.6	67 601 551
Financial assets held for trading		-
Other Assets	7.7	2 727
Total Assets	-	85 785 137
Liabilities		
Other Loans		-
Financial liabilities held for trading		-
Debt securities issued	7.8	85 196 240
Other liabilities	7.9	588 897
Total Liabilities	-	85 785 137
Equity		
Share Capital		-
Other equity instruments		-
Reserves and retained earnings		-
Net income for the period		-
Total Equity	-	-
Total Equity and Liabilities	-	85 785 137

To be read with the notes attached to the financial statements



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(122 012)	(241 869)
<i>Cash flows arising from operating activities</i>	(122 012)	(241 869)
Investing Activities		
Receivables:		
Customers Loans	68 668 166	42 788 543
Interest income	859 984	7 218 343
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	69 528 150	50 006 886
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(85 148 633)	(46 256 419)
Interest Expenses	(2 438 363)	(5 676 827)
<i>Cash flows arising from financing activities</i>	(87 586 997)	(51 933 247)
Net changes in cash and cash equivalents	(18 180 858)	(2 168 229)
Cash and cash equivalents balance at the beginning of the year	18 180 858	20 349 087
Cash and cash equivalents balance at the end of the year	(0)	18 180 858
Deposits at other Credit Institutions	-	18 180 858



7.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	1 772 808	7 326 644
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	<u>1 772 808</u>	<u>7 326 644</u>
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(1 635 885)	(6 999 798)
Interest from deposits	(29 630)	(101 171)
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	<u>(1 665 515)</u>	<u>(7 100 970)</u>
<i>Net interest income</i>	<u>107 293</u>	<u>225 674</u>

7.2 Net gains / losses arising from financial assets and liabilities at fair value through profit and loss:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other gains arising financial operations	-	-
	<u>-</u>	<u>-</u>
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other losses arising financial operations	(825 708)	(307 201)
	<u>(825 708)</u>	<u>(307 201)</u>
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	<u>(825 708)</u>	<u>(307 201)</u>

The items "Other gains / losses in financial operations" include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 7.8).



7.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	(4 193)	(10 400)
Audit fee	(19 065)	(42 835)
CMVM	(861)	(2 608)
Bank commissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	-
Interbolsa	(4 581)	(5 811)
Irish stock exchange fee	-	-
Issuer fee	(5 375)	(21 434)
Legal Fee	(30 135)	(6 563)
Other	-	-
Paying Agent fee	(1 300)	(5 200)
Rating Agency fee	(29 900)	(33 825)
Service fee	(11 883)	(96 999)
Transaction Manager	-	-
	(107 293)	(225 674)

7.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	-	(949 008)
Reversal of impairment losses	825 708	1 256 210
	825 708	307 201

7.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	-	3 480 410
Cash Reserve	-	14 700 449
Liquidity Account	-	-
	-	18 180 858

The item “Deposits” corresponds to deposits at Deutsche Bank, AG – London.



7.6 Loans to customers

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
Loans	-	69 499 440
Overdue loans	-	4 583 560
Portfolio acquisition premium/(discount)	-	-
Overdue interest	-	571 451
Accrued interest	-	198 544
Impairment	-	(7 251 443)
	-	67 601 551

The item "Loans to customers" records the nominal value of the credit acquired under the securitization transaction totalling € 293,994,014, minus interim capital receipts and impairment losses, plus the amount of buybacks of new credit and accrued interest.

Amounts for interim capital receipts, buybacks of new credit and write-offs have the following breakdown:

Year	Beginning Balance	Reimbursement	Purchases	Moratorium	Write-off	Ending Balance
2014	293 994 014	(91 411 564)	82 569 467	0	(5)	285 146 419
2015	285 146 419	(117 683 453)	119 853 708	0	(6)	287 310 671
2016	287 310 671	(114 340 019)	116 078 840	0	(16 980)	289 032 512
2017	289 032 512	(109 400 082)	102 247 316	0	117 936	281 997 681
2018	281 997 681	(93 792 026)	-	0	-	188 205 655
2019	188 205 655	(70 542 950)	-	0	-	117 662 705
2020	117 662 705	(42 788 543)	-	231 362	(1 022 525)	74 083 000
2021	74 083 000	(68 668 166)	-	-	(5 414 834)	0

Changes in impairment for credit risks have the following breakdown:

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	(7 251 443)	(7 618 290)
Impairment losses	-	(949 008)
Reversal of impairment losses	825 708	1 256 210
Loans Written-off	6 425 735	59 645
Balance on 31 December	-	(7 251 443)

The item "Loan impairment" records the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

The impairment for recorded credit is affected by the Deemed Principal Loss («DPL») policy defined in the operation's prospectus.



7.7 Other assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	-	-
Up Front Fee	-	2 727
	-	2 727

The item "Up-front fee" records the amount not yet recognized in the results for the initial fee paid for the transaction, which is deferred until maturity, representing the services performed by the Company for the transaction.

7.8 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	-	85 148 633
Accrued interest	-	939 812
Issued notes premium	-	-
Issued notes discount	-	-
Others	-	(892 205)
	-	85 196 240

The item "Others" corresponds to the estimated shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.

The amounts of interim repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2016	308 700 000	-	308 700 000
2017	308 700 000	(9 358 165)	299 341 835
2018	299 341 835	(97 638 644)	201 703 191
2019	201 703 191	(70 298 139)	131 405 052
2020	131 405 052	(46 256 419)	85 148 633
2021	85 148 633	(85 148 633)	-

7.9 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	867
Audit fee	-	9 533
Issuer fee	-	1 277
Others	-	571 451
Paying agent fee	-	-
Service fee	-	5 770
Transaction Manager	-	-
Other Payable	-	-
	-	588 897



The item "Others" records the consideration for overdue interest recognized in the item "Loans and advances to customers" (note 7.6). This interest will not be recognized in the results for the year until it is received.

**8. Silk Finance No. 4**

On 16th November 2015, the Company carried out the transaction “Silk Finance No. 4”. This transaction was for the acquisition of a consumer credit portfolio of Banco Santander Consumer Portugal, S.A. in the amount of € 611,022,649 and the respective issuance of securitized bonds divided into 4 tranches: € 509,400,000 Class A, € 101,500,000 Class B, € 3,700,000 Class C and € 1 Variable Funding Note. The 4 tranches were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The remuneration of the first two tranches is fixed at 1.2% for Class A and at 2.4% for Class B. The remaining classes do not have a set interest rate, with entitlement to the available amounts after the transactions of the other responsibilities have been fulfilled, as stipulated in its terms and conditions.

The operation settled in advance on June 25, 2020, and all obligations were repaid.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

Debt securities issued

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. This issuance includes four tranches of bonds (“Class A Notes” and “Class B Notes”) with fixed remuneration of 1.2% and 2.4%, respectively, and two tranches of bonds (“Class C Notes” and Variable Funding Note) whose remuneration will be the difference between the amounts received and the remuneration paid to “Class A” and “Class B”.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	Notes	2021	2020
Interest and similiar income	8.1	-	10 023 703
Interest expense and similiar charges	8.1	-	(7 828 612)
Net interest income		-	2 195 091
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	8.2	-	(4 883 461)
General and administrative costs	8.3	-	(2 195 091)
Total Operating income/(expense)		-	(7 078 552)
Impairment losses on loans, net of reversals and recoveries	8.4	-	4 883 461
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	<u>Notes</u>	<u>31-12-2021</u>	<u>31-12-2020</u>
<i>Assets</i>			
Deposits at other Credit Institutions		-	-
Balances due from other Credit Institutions		-	-
Loans to customers	8.5	-	-
Intangible Assets		-	-
Financial assets held for trading		-	-
Other Assets		-	-
Total Assets			
<i>Liabilities</i>			
Financial liabilities held for trading		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
Other liabilities		-	-
Total Liabilities			
<i>Equity</i>			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		-	-

To be read with the notes attached to the financial statements.



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	-	(3 085 236)
<i>Cash flows arising from operating activities</i>	-	(3 085 236)
Investing Activities		
Receivables:		
Customers Loans	-	438 600 779
Interest income	-	13 401 152
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	-	452 001 931
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	-	(472 089 679)
Interest Expenses	-	(14 316 680)
<i>Cash flows arising from financing activities</i>	-	(486 406 360)
Net changes in cash and cash equivalents	-	(37 489 664)
Cash and cash equivalents balance at the beginning of the year		37 489 664
Cash and cash equivalents balance at the end of the year		0
Deposits at other Credit Institutions	-	-



8.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	-	10 007 449
Interest from deposits	-	16 254
Portfolio Acquisition premium	-	-
Other interest	-	-
	-	10 023 703
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	-	(7 848 721)
Interest from deposits	-	(102 400)
Interest from other financial liabilities	-	-
Premium bond issue	-	122 510
	-	(7 828 612)
<i>Net interest income</i>	-	2 195 091

8.2 Net gains / losses arising from financial assets and liabilities at fair value through profit and loss:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other gains arising financial operations	-	-
	-	-
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other losses arising financial operations	-	(4 883 461)
	-	(4 883 461)
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	-	(4 883 461)

The items “Other gains / Other losses arising from financial operations” include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities.



8.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	(13 000)
Audit fee	-	(19 680)
CMVM	-	(5 086)
Bank commissions	-	(24)
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	-
Interbolsa	-	(7 267)
Irish stock exchange fee	-	-
Issuer fee	-	(20 714)
Legal Fee	-	(21 240)
Other	-	(50 000)
Paying Agent fee	-	(3 120)
Rating Agency fee	-	-
Service fee	-	(2 054 961)
Transaction Manager	-	-
	-	(2 195 091)

8.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Loans to customers:		
Impairment losses	-	(658 267)
Reversal of impairment losses	-	5 541 727
	-	4 883 461

8.5 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	-	-
Overdue loans	-	-
Portfolio acquisition premium/(discount)	-	-
Overdue interest	-	-
Accrued interest	-	-
Impairment	-	-
	-	-

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	-	(5 694 256)
Impairment losses	-	(658 267)
Reversal of impairment losses	-	5 541 727
Loans Written-off	-	810 795
Balance on 31 December	-	-



9. Silk Finance No. 5

On 23rd July 2020, the Company carried out the transaction “Silk Finance No. 5”. This transaction was for the acquisition of a consumer credit portfolio of Banco Santander Consumer Portugal, S.A. in the amount of € 600,018,247 and the respective issuance of securitized bonds divided into 7 tranches: € 466,100,000 Class A, € 65,900,000 Class B, € 55,000,000 Class C, €13,000,000 Class D, € 6,600,000 Class E, €1 Variable Funding Note, and € 3,600,000 Class X. The 7 tranches were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

Silk Finance No.5

	Fitch	Moody's
Class A Notes	A	Aa2
Class B Notes	BBB	Baa1
Class C Notes	BB	Ba3
Class D Notes	-	-
Class E Notes	-	-
Class X Notes	-	-
Class VFN	-	-

The remuneration of the first 3 tranches is indexed to 3 months EURIBOR, adding a spread of 0.75% Class A, 2% Class B and 3% Class C. The remuneration of the following classes is fixed and is of 7.25% Class D and 8% Class E. The other classes do not have a set interest rate, with entitlement to the available amounts after the transaction's other responsibilities have been fulfilled, as stipulated in its terms and conditions.

The Class A, B, C, D and E Notes are registered with the securities settlement company Interbolsa and listed on the Euronext Lisbon stock exchange. The bond redemption date started in November 2020, ending in February 2035, the date legal maturity for all tranches.

Pursuant to the provisions of the contractual agreement, the bonds' remuneration (including the repayment of capital) is dependent on the assets' performance; in the event of these assets' delinquency, this is fully reflected in the remuneration of the bonds.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under agreements for the granting of consumer credit lines and auto loans.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.



Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Silk Finance No.5					
Class A-Notes	February 2035	466 100 000	EUR 3 M + 0.75%	0.18%	0.23%
Class B-Notes	February 2035	65 900 000	EUR 3 M + 2%	1.43%	1.48%
Class C-Notes	February 2035	55 000 000	EUR 3 M + 3%	2.43%	2.48%
Class D-Notes	February 2035	13 000 000	Fixa	7.25%	7.25%
Class E-Notes	February 2035	3 300 000	Fixa	8.00%	8.00%
Class X-Notes	February 2035	1 000	-	-	-
Class VFN	February 2035	1	-	-	-
		603 301 001			

The item “Debt securities issued” records the carrying value of securitization bonds issued within the scope of the securitization transaction. This issuance includes seven tranches of bonds (Class A Notes", "Class B Notes", "Class C Notes", "Class D Notes", "Class E Notes", "Class X Notes”, “Variable Funding Notes ”) with fixed remuneration of 3 months EURIBOR plus spread of 0.75% Class A, 2% Class B, 3% Class C; fixed rate remunerations of 7.25% Class D and 8% Class E and two tranches of bonds (“Class X Notes” and Variable Funding Note) whose remuneration will be the difference between the amounts received and the remuneration paid to the other classes.

The transaction’s financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		2021	2020
Interest and similiar income	9.1	40 247 552	18 601 152
Interest expense and similiar charges	9.1	(38 415 232)	(16 511 983)
Net interest income		1 832 320	2 089 168
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	9.2	2 510 757	3 523 066
General and administrative costs	9.3	(1 832 320)	(2 089 168)
Total Operating income/(expense)		678 437	1 433 897
Impairment losses on loans, net of reversals and recoveries	9.4	(2 510 757)	(3 523 066)
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	9.5	33 669 209	23 304 808
Balances due from other Credit Institutions		-	-
Loans to customers	9.6	565 117 685	570 753 432
Financial assets held for trading	9.7	4 864 535	1 123 089
Other Assets	9.8	18 243 969	17 950 730
Total Assets		621 895 398	613 132 059
Liabilities			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	9.9	621 468 952	612 856 210
Other liabilities	9.10	426 446	275 849
Total Liabilities		621 895 398	613 132 059
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		621 895 398	613 132 059

Off-balance sheet accounts (note 9.11)

To be read with the notes attached to the financial statements.



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(1 786 274)	(1 909 159)
<i>Cash flows arising from operating activities</i>	<u>(1 786 274)</u>	<u>(1 909 159)</u>
Investing Activities		
Receivables:		
Customers Loans	4 484 849	(587 164 905)
Interest income	38 544 544	15 404 242
Payments:		
Customers Loansp	-	-
Financial Investments	-	(1 859 760)
<i>Cash flows arising from investing activities</i>	<u>43 029 393</u>	<u>(573 620 423)</u>
Financing Activities		
Receivables:		
Debt securities issued	-	610 200 001
Payments:		
Debt securities issued	(2 640 000)	(4 259 000)
Interest Expenses	(28 238 718)	(7 106 611)
<i>Cash flows arising from financing activities</i>	<u>(30 878 718)</u>	<u>598 834 390</u>
Net changes in cash and cash equivalents	10 364 401	23 304 808
Cash and cash equivalents balance at the beginning of the year	23 304 808	-
Cash and cash equivalents balance at the end of the year	<u>33 669 209</u>	<u>23 304 808</u>
Deposits at other Credit Institutions	33 669 209	23 304 808



9.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	40 247 552	18 601 152 ¹
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	<u>40 247 552</u>	<u>18 601 152</u>
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(38 038 397)	(16 364 244)
Interest from deposits	(172 373)	(57 552)
Interest from other financial liabilities	-	-
Premium bond issue	(204 462)	(90 187)
	<u>(38 415 232)</u>	<u>(16 511 983)</u>
<i>Net interest income</i>	<u>1 832 320</u>	<u>2 089 168</u>

9.2 Net gains / losses arising from financial assets and liabilities at fair value through profit and loss:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	(5 720 376)	(1 123 089)
Other gains arising financial operations	2 510 757	3 523 066
	<u>(3 209 618)</u>	<u>2 399 977</u>
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	5 720 376	1 123 089
Other losses arising financial operations	-	-
	<u>5 720 376</u>	<u>1 123 089</u>
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	<u>2 510 757</u>	<u>3 523 066</u>

The items “Other gains / Other losses arising from financial operations” include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 9.9).



9.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(20 910)	(20 910)
Arranger Fee	-	(595 920)
CMVM	(14 842)	(10 000)
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	(5 000)	(5 000)
Euronext	(183)	(48 050)
Interbolsa	(15 065)	(3 392)
Irish stock exchange fee	-	-
Issuer fee	(61 309)	(67 247)
Legal Fee	(142 680)	(290 003)
Other	-	-
Paying Agent fee	(4 160)	(1 040)
Rating Agency fee	(42 435)	(358 118)
Service fee	(1 519 416)	(670 849)
Transaction Manager	(6 320)	(18 640)
	(1 832 320)	(2 089 168)

9.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(4 434 507)	(3 523 066)
Reversal of impairment losses	1 923 750	-
	(2 510 757)	(3 523 066)

9.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	27 069 208	16 713 974
Cash Reserve	6 600 001	6 590 834
Liquidity Account	-	-
	33 669 209	23 304 808

The item “Deposits” corresponds to deposits at BNP Paribas – London Branch.

9.6 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	567 607 391	573 903 322
Overdue loans	1 184 308	277 336
Portfolio acquisition premium/(discount)	-	-
Overdue interest	250 391	95 840
Accrued interest	1 721 392	-
Impairment	(5 645 799)	(3 523 066)
	565 117 685	570 753 432



In "Loans to customers" is being recorded the nominal value of the credit acquired under the securitization transaction deducted from the receipts in the meantime and from losses due to impairments recorded and increased the amount of repurchases of new credits made, as well as the respective periodic interest.

Amounts for capital receipts, buybacks of new credit and write-offs have the following breakdown:

<i>(Expressed in EUR)</i>					
Year	Beggining Balance	Reimbursement	Purchases	Write-off	Ending Balance
2020	-	(76 764 801)	650 945 458	-	574 180 657
2021	574 180 657	(162 462 694)	157 461 760	(388 025)	568 791 699

Changes in impairment for credit risks have the following breakdown:

<i>(Expressed in EUR)</i>		
Description	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	(3 523 066)	-
Impairment losses	(4 434 507)	(3 523 066)
Reversal of impairment losses	1 923 750	-
Loans Written-off	388 025	-
Balance on 31 December	(5 645 799)	(3 523 066)

9.7 Financial assets held for trading

<i>(Expressed in EUR)</i>		
Description	31-12-2021	31-12-2020
Swaps	4 864 535	1 123 089
	4 864 535	1 123 089

The item swaps refer to the fair value of the interest rate swap operation contracted within the scope of the Operation Silk Finance No. 5 and the corresponding accrued interest.

The detail of the fair value of the Swap with reference to 31st December 2021 and 2020 have the following breakdown:

	Notional Amount	Maturity	Fair Value 2021	Fair Value 2020
Silk Finance No.5	587 000 000	Março 2063	-4 864 535	-1 123 089

As previously mentioned, the counterparty to this derivative is Banco Santander, S.A



9.8 Other Assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	18 243 969	17 950 730
Up Front Fee	-	-
	18 243 969	17 950 730

9.9 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	603 301 001	605 941 001
Accrued interest	19 337 239	9 315 186
Issued notes premium	-	-
Issued notes discount	-	-
Others	(1 169 288)	(2 399 977)
	621 468 952	612 856 210

9.10 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	20 910	20 910
Issuer fee	6 033	6 059
Others	250 391	95 840
Paying agent fee	-	-
Service fee	149 112	150 000
Transaction Manager	-	3 040
Other Payable	-	-
	426 446	275 849

The item "Others" records the consideration for overdue interest recognized in the item "Loans and advances to customers" (note 9.6).

9.11 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	-	-
Assets received as collateral	-	-
Swap interest rate	587 000 000	587 000 000
	587 000 000	587 000 000



10. Ulisses Finance N° 2

On 28th September 2021, the Company carried out the transaction “Ulisses Finance No. 2”. This transaction was for the acquisition of a mortgage portfolio of 321 Crédito – IFC, S.A in the amount of € 250.000.000 and the respective issuance of securitized bonds divided into 8 tranches: € 203.700.000 Class A, € 10.000.000 Class B, € 20.000.00 Class C, €11,300,000 Class D, € 3,700,000 Class E, € 1.300.00 Class F, € 1.500.000 Class G and € 1.5000.000 Class Z. The 8 tranches were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

Ulisses

	Moody's	DBRS
Class A-Notes	Aa2	AA (low)
Class B-Notes	Aa3	A (low)
Class C-Notes	Baa1	BBB (low)
Class D-Notes	Ba1	BB (low)
Class E-Notes	Ba3	B (low)
Class F-Notes	-	-
Class G-Notes	-	-
Class Z	-	-

The remuneration of the first 7 tranches is indexed to 1 months EURIBOR, adding a spread of 0.70% Class A, 0,80% Class B, 1,35% Class C, 2,85% Class D, 3,68% Class E, 5,49% Class F, 5% Class G and 6% Class Z. The Class Z also adds the entitlement to the available amounts after the transaction's other responsibilities have been fulfilled, as stipulated in its terms and conditions.

The Class A, B, C, D, E, F and G Notes are registered with the securities settlement company Interbolsa and listed on the Euronext Lisbon stock exchange. The bond redemption date started in October 2021, ending in September 2038, the date legal maturity for all tranches.

Pursuant to the provisions of the contractual agreement, the bonds' remuneration (including the repayment of capital) is dependent on the assets' performance; in the event of these assets' delinquency, this is fully reflected in the remuneration of the bonds.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under agreements for the granting of consumer credit lines and auto loans.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

*Debt securities issued*

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021
Ulisses Finance No. 2				
Class A-Notes	September 2038	203 700 000	EUR 1 M + 0.70%	0.09%
Class B-Notes	September 2038	10 000 000	EUR 1 M + 0.80%	0.19%
Class C-Notes	September 2038	20 000 000	EUR 1 M + 1.35%	0.74%
Class D-Notes	September 2038	11 300 000	EUR 1 M + 2.85%	2.24%
Class E-Notes	September 2038	3 700 000	EUR 1 M + 3.68%	3.07%
Class F-Notes	September 2038	1 300 000	EUR 1 M + 5.49%	4.88%
Class G-Notes	September 2038	1 275 000	EUR 1 M + 5.00%	4.39%
Class Z-Notes	September 2038	1 000	EUR 1 M + 6.00%	5.39%
		251 276 000		

The item “Debt securities issued” records the carrying value of securitization bonds issued within the scope of the securitization transaction. This issuance includes eight tranches of bonds (“Class A Notes”, “Class B Notes”, “Class C Notes”, “Class D Notes”, “Class E Notes”, “Class F Notes”, “Class G Notes” and “Class Z Notes”) with variable remuneration indexed to the one-month Euribor plus a spread of 0.70% Class A, 0,80% Class B, 1,35% Class C, 2,85% Class D, 3,68% Class E, 5,49% Class F, 5% Class G and 6% Class Z.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement**For the years ended 31 December 2021 and 2020**

	Notes	<i>(Expressed in EUR)</i>	
		2021	2020
Interest and similiar income	10.1	9 384 903	-
Interest expense and similiar charges	10.1	(8 700 443)	-
Net interest income		684 460	-
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	10.2	2 258 671	-
General and administrative costs	10.3	(684 460)	-
Total Operating income/(expense)		1 574 211	-
Impairment losses on loans, net of reversals and recoveries	10.4	(2 258 671)	-
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as of 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	10.5	4 889 997	-
Balances due from other Credit Institutions		-	-
Loans to customers	10.6	243 467 769	-
Financial assets held for trading	10.7	2 240 917	-
Other Assets	10.8	4 870 416	-
Total Assets		255 469 099	-
Liabilities			
Financial liabilities held for trading		-	-
Debt securities issued		-	-
Other financial liabilities	10.9	255 399 597	-
Other liabilities	10.10	69 502	-
Total Liabilities		255 469 099	-
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		255 469 099	-

Off-balance sheet accounts (note 10.11)

To be read with the notes attached to the financial statements.



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(654 658)	-
<i>Cash flows arising from operating activities</i>	(654 658)	-
Investing Activities		
Receivables:		
Customers Loans	(247 812 759)	-
Interest income	7 879 445	-
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	(1 258 000)	-
<i>Cash flows arising from investing activities</i>	(241 191 314)	-
Financing Activities		
Receivables:		
Debt securities issued	255 485 140	-
Payments:		
Debt securities issued	(1 724 000)	-
Interest Expenses	(7 025 172)	-
<i>Cash flows arising from financing activities</i>	246 735 968	-
Net changes in cash and cash equivalents	4 889 997	-
Cash and cash equivalents balance at the beginning of the year	-	-
Cash and cash equivalents balance at the end of the year	4 889 997	-
Deposits at other Credit Institutions	4 889 997	-



10.1 Net interest income

Description	(Expressed in EUR)	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	9 384 903	-
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	9 384 903	-
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(8 719 036)	-
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	18 593	-
	(8 700 443)	-
	684 460	-
<i>Net interest income</i>		

10.2 Net gains / losses arising from financial assets and liabilities at fair value through profit and loss:

Description	(Expressed in EUR)	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	54 006	-
Other gains arising financial operations	2 294 923	-
	2 348 929	-
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	(54 006)	-
Other losses arising financial operations	(36 252)	-
	(90 258)	-
	2 258 671	-
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>		

The items “Other gains / Other losses arising from financial operations” include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 10.9).



10.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(19 680)	-
Arranger Fee	-	-
CMVM	(12 500)	-
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	(79 294)	-
Interbolsa	(1 024)	-
Irish stock exchange fee	-	-
Issuer fee	(36 016)	-
Legal Fee	(44 637)	-
Other	-	-
Paying Agent fee	(3 120)	-
Rating Agency fee	(290 895)	-
Service fee	(188 194)	-
Transaction Manager	(9 100)	-
	(684 460)	-

10.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(2 284 264)	-
Reversal of impairment losses	25 593	-
	(2 258 671)	-

10.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	3 389 997	-
Cash Reserve	1 500 000	-
Liquidity Account	-	-
	4 889 997	-

The item "Deposits at other Credit Institutions - Notes" corresponds to deposits at Deutsche Bank – London.



10.6 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	244 423 312	-
Overdue loans	59 834	-
Portfolio acquisition premium/(discount)	-	-
Overdue interest	39 700	-
Accrued interest	988 924	-
Impairment	(2 044 000)	-
	243 467 769	-

The item "Loans to customers" records the nominal value of the credit acquired under the securitization transaction, minus interim capital receipts and impairment losses, and increased the amount of repurchases of new credits made, as well as the respective periodic interest. Amounts for capital receipts and write-offs have the following breakdown:

Year	<i>(Expressed in EUR)</i>				
	Begginig Balance	Reimbursement	Purchases	Write-off	Ending Balance
2021	250 000 000	(25 909 250)	20 607 066	(214 671)	244 483 146

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	-	-
Impairment losses	(2 284 264)	-
Reversal of impairment losses	25 593	-
Loans Written-off	214 671	-
Balance on 31 December	(2 044 000)	-

10.7 Financial Liabilities held for trading

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Swaps	2 240 917	-
	2 240 917	-

The item "Swaps" corresponds to the fair value of the interest rate swap under the Ulisses Finance No. 2 transaction and accrued interest.

The detail of the fair value of the swap with reference to 31st December 2021 and 2020 is shown in the following table:

	Notional Amount	Maturity	Fair Value 2021	Fair Value 2020
Ulisses Finance N° 2	248 700 000	0	(2 240 917)	0

The counterparty of the Derivative is Deutsche Bank AG.



10.8 Other Assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	4 870 416	-
Up Front Fee	-	-
	4 870 416	-

10.9 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	251 276 000	-
Accrued interest	1 669 433	-
Issued notes premium	2 447 486	-
Issued notes discount	-	-
Others	6 677	-
	255 399 597	-

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on September 2021, ending on October 2038. The amounts of interim repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>			
	Initial Amount	Amortization	New emissions	Ending Balance
2021	253 000 000	(1 724 000)	-	251 276 000

10.10 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	9 840	-
Issuer fee	4 600	-
Others	39 700	-
Paying agent fee	-	-
Service fee	13 889	-
Transaction Manager	1 473	-
Other Payable	-	-
	69 502	-

The item "Others" includes the consideration for overdue interest recognized in the item "Loans to customers" (note 10.6).

10.11 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	-	-
Assets received as collateral	-	-
Swap interest rate	248 700 000	-
	248 700 000	-



11. Victoria Finance No.1

On 28th July 2020, the Company carried out the transaction “Victoria Finance No.1”. This transaction was for the acquisition of a receivable loan portfolio in the amount of € 505,000,000 and the respective issuance of securitized bonds at par for a total amount of € 510,000,000. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

	DBRS	Fitch
Class A-Notes	A (high) (sf)	A+
Class B-Notes	BBB (sf)	A-
Class C-Notes	BB (high) (sf)	BBB+
Class S-Notes	-	-
Class SICF	-	-

These issuances correspond to 5 tranches of bonds: “Class A” issued at par in the amount of € 392,500,000 with remuneration of 0.8%; “Class B” issued at par for the amount of € 60,000,000 with remuneration of 1.5%; “Class C” issued at par in the amount of €22,500,000 with remuneration of 2%; “Class S” issued at par in the amount of €5,000,000 with remuneration of 2.5% and “Class SICF” issued at par in the amount of €30,000,000 with remuneration of 2.5%.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in September 2020, ending in October 2035, the legal maturity date for all the tranches.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under mortgage agreements (including housing loans granted under Decree Law no. 348/98 of 11 November).

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021
Victoria Finance No. 1				
Class A-Notes	February 2035	392 500 000	Fixa	0.80%
Class B-Notes	February 2035	60 000 000	Fixa	1.50%
Class C-Notes	February 2035	22 500 000	Fixa	2.00%
Class S-Notes	February 2035	4 026 284	Fixa	2.50%
Class SICF	February 2035	49 002 373	Fixa	2.50%
		528 028 657		

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. The amounts received each month are transferred to the transaction's set of responsibilities in accordance with its terms. Any surpluses generated by the assets will be paid to the holder of the bonds, while any shortcomings will be assumed by the holder on their cancellation date, with no result in the Company's operating accounts.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	Notes	2021	2020
Interest and similiar income	11.1	97 416 009	42 194 986
Interest expense and similiar charges	11.1	(94 783 653)	(40 248 639)
Net interest income		2 632 356	1 946 347
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	11.2	2 655 199	22 450 608
General and administrative costs	11.3	(2 632 356)	(1 946 347)
Total Operating income/(expense)		22 842	20 504 261
Impairment losses on loans, net of reversals and recoveries	11.4	(2 655 199)	(22 450 608)
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	<u>Notes</u>	<u>31-12-2021</u>	<u>31-12-2020</u>
Assets			
Deposits at other Credit Institutions	11.5	52 754 539	53 895 469
Balances due from other Credit Institutions		-	-
Loans to customers	11.6	510 258 027	505 140 293
Financial assets held for trading		-	-
Other Assets	11.7	1 780 499	-
Total Assets		564 793 065	559 035 762
Liabilities			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	11.8	520 835 863	517 474 802
Other liabilities	11.9	43 957 203	41 560 960
Total Liabilities		564 793 065	559 035 762
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		564 793 065	559 035 762

To be read with the notes attached to the financial statements



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(2 625 940)	(1 888 784)
<i>Cash flows arising from operating activities</i>	(2 625 940)	(1 888 784)
Investing Activities		
Receivables:		
Customers Loans	(456 524 318)	(657 987 610)
Interest income	546 776 722	214 095 091
Payments:	-	-
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	90 252 404	(443 892 519)
Financing Activities		
Receivables:		
Debt securities issued	13 791 506	534 737 933
Payments:		
Debt securities issued	(16 930 382)	(3 570 399)
Interest Expenses	(85 628 517)	(31 490 762)
<i>Cash flows arising from financing activities</i>	(88 767 394)	499 676 771
Net changes in cash and cash equivalents	(1 140 930)	53 895 469
Cash and cash equivalents balance at the beginning of the year	53 895 469	-
Cash and cash equivalents balance at the end of the year	52 754 539	53 895 469
Deposits at other Credit Institutions	52 754 539	53 895 469



11.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	97 416 009	42 194 986 ¹
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	97 416 009	42 194 986
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(94 783 653)	(40 248 639)
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	(94 783 653)	(40 248 639)
<i>Net interest income</i>	2 632 356	1 946 347

11.2 Net gains / losses arising from financial assets and liabilities at fair value

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other gains arising financial operations	2 655 199	22 450 608
	2 655 199	22 450 608
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	-	-
Other losses arising financial operations	-	-
	-	-
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	2 655 199	22 450 608

The items “Other gains / Other losses arising from financial operations” include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 11.8).



11.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(17 343)	(17 343)
Arranger Fee	-	(312 000)
CMVM	(10 694)	(12 500)
Banking Comissions	-	(1 040)
Commitment Fee	-	-
Common Representative	(536 644)	(12 000)
Euronext	-	(29 919)
Interbolsa	(12 122)	(3 911)
Irish stock exchange fee	-	-
Issuer fee	(41 333)	(110 000)
Legal Fee	(8 610)	(177 653)
Other	-	-
Paying Agent fee	(6 240)	(2 080)
Rating Agency fee	(43 222)	(362 235)
Service fee	(1 841 434)	(783 474)
Transaction Manager	(114 714)	(122 192)
	(2 632 356)	(1 946 347)

11.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(19 116 879)	(22 450 608)
Reversal of impairment losses	16 461 681	-
	(2 655 199)	(22 450 608)

11.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	48 829 539	49 970 469
Cash Reserve	3 925 000	3 925 000
Liquidity Account	-	-
	52 754 539	53 895 469

The item “Deposits” corresponds to deposits at Deutsche Bank, AG – London.



11.6 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	522 800 118	526 277 923
Overdue loans	425 037	219 454
Portfolio acquisition premium/(discount)	-	-
Overdue interest	851 557	447 949
Accrued interest	-	-
Impairment	(13 818 685)	(21 805 033)
	510 258 027	505 140 293

In "Loans to customers" is being recorded the nominal value of the credit acquired under the securitization transaction deducted from the receipts in the meantime and from losses due to impairments recorded and increased the amount of repurchases of new credits made, as well as the respective periodic interest.

Amounts for capital receipts, buybacks of new credit and write-offs have the following breakdown:

Year	<i>(Expressed in EUR)</i>				
	Beggining Balance	Reimbursement	Purchases	Write-off	Ending Balance
2020	505 000 000	(167 358 844)	189 501 796	(645 575)	526 497 377
2021	526 497 377	(450 203 246)	457 572 570	(10 641 546)	523 225 155

Changes in impairment for credit risks have the following breakdown:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	(21 805 033)	-
Impairment losses	(19 116 879)	(22 450 608)
Reversal of impairment losses	16 461 681	-
Loans Written-off	10 641 546	645 575
Balance on 31 December	(13 818 685)	(21 805 033)

The item "Loan impairment" records the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

11.7 Other Assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	1 780 499	-
Up Front Fee	-	-
	1 780 499	-

The item "Receivables" records the amount of 2021 interest receivable in the following year.



11.8 Debt securities issued

The item "Others" corresponds to the estimated shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	528 028 657	531 167 534
Accrued interest	7 658 618	8 282 338
Issued notes premium	-	-
Issued notes discount	-	-
Others	(14 851 412)	(21 975 069)
	520 835 863	517 474 802

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in September 2020, ending in October 2035, the legal maturity date for all the tranches. The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>			
	Initial	Amortization	New	Ending
2020	-	(3 570 399)	534 737 933	531 167 534
2021	531 167 534	(16 930 382)	13 791 506	528 028 657

11.9 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	8 672	8 672
Issuer fee	6 667	-
Others	851 557	447 949
Paying agent fee	-	-
Service fee	40 756	41 003
Transaction Manager	7 886	7 889
Other Payable	43 041 666	41 055 448
	43 957 203	41 560 960

The "Other Payable" refers to the amount of the loan portfolio acquired in the last month of the year and which is settled in the following year.



12. Viriato Finance No.1

On 30th September 2021, the Company carried out the transaction “Viriato Finance No. 1”. This transaction was for the acquisition of consumer credit portfolio of Wizink Bank, S.A.U in the amount of € 150.000.000 and the respective issuance of securitized bonds divided into 8 tranches: € 114.000.000 Class A, € 6.000.000 Class B, € 12.000.00 Class C, €8,300,000 Class D, € 4,500,000 Class E, € 5.100.00 Class F, € 1.400.000 Class R and € 100.000 Class X. All the tranches were issued at par with exception of Class A, which was issued at 101,029%. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

	Moody's	DBRS
Class A-Notes	Aa2	AA (low)
Class B-Notes	A2	A (high)
Class C-Notes	Baa2	BBB (high)
Class D-Notes	Ba2	BB (high)
Class E-Notes	B2	B
Class F-Notes	-	-
Class R-Notes	-	-
Class X	-	-

The remuneration of the first 5 tranches is indexed to 1 months EURIBOR, adding a spread of 0.70% Class A, 0,95% Class B, 1,55% Class C, 3,2% Class D, 3,9% Class E. The remuneration of the following classes is fixed and is of 6,5% Class F, 2% Class R and 2,5% Class X.

The Class A, B, C, D, E, and F Notes are registered with the securities settlement company Interbolsa and listed on the Euronext Lisbon stock exchange. The bond redemption date started in October 2021, ending in October 2040, the date legal maturity for all tranches.

Pursuant to the provisions of the contractual agreement, the bonds' remuneration (including the repayment of capital) is dependent on the assets' performance; in the event of these assets' delinquency, this is fully reflected in the remuneration of the bonds.

The credit granted corresponds to repayments of principal and compensatory interest and other amounts due to the grantor under agreements for the granting of consumer credit lines and auto loans.

Impairment

The Company periodically assesses the impairment of its portfolio of due and past-due assets, considering the type of credit granted, any existing counter-guarantees, the ageing and performance of assets in arrears and the average impairment of the originator's credit portfolio for similar assets. The impairment losses of securitized assets or any other factors within the transaction's scope may result in a shortage of funds to settle the bonds' principal and interest. These losses will be assumed exclusively by the holders of the bonds.

*Debt securities issued*

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Viriato Finance No. 1					
Class A-Notes	October 2040	114 000 000	EUR 1 M + 0.70%	0.06%	n.a
Class B-Notes	October 2040	6 000 000	EUR 1 M + 0.95%	0.31%	n.a
Class C-Notes	October 2040	12 000 000	EUR 1 M + 1.55%	0.91%	n.a
Class D-Notes	October 2040	8 300 000	EUR 1 M + 3.20%	2.56%	n.a
Class E-Notes	October 2040	4 500 000	EUR 1 M + 3.90%	3.26%	n.a
Class F-Notes	October 2040	5 100 000	Fixa	6.50%	n.a
Class R-Notes	October 2040	1 400 000	Fixa	2.00%	n.a
Class X-Notes	October 2040	100 000	Fixa	2.50%	n.a
		151 400 000			

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. The amounts received each month are transferred to the transaction's set of responsibilities in accordance with its terms. Any surpluses generated by the assets will be paid to the holder of the bonds, while any shortcomings will be assumed by the holder on their cancellation date, with no result in the Company's operating accounts.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement**For the years ended 31 December 2021 and 2020**

	Notes	<i>(Expressed in EUR)</i>	
		2021	2020
Interest and similiar income	12.1	4 462 190	-
Interest expense and similiar charges	12.1	(3 074 290)	-
Net interest income		1 387 900	-
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	12.2	2 744 744	-
General and administrative costs	12.3	(1 221 582)	-
Total Operating income/(expense)		1 523 162	-
Impairment losses on loans, net of reversals and recoveries	12.4	(2 911 062)	-
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	12.5	5 601 712	-
Balances due from other Credit Institutions		-	-
Loans to customers	12.6	143 334 867	-
Financial assets held for trading		-	-
Other Assets	12.7	1 256 458	-
Total Assets		150 193 037	-
Liabilities			
Other Loans		-	-
Financial liabilities held for trading	12.8	314 226	-
Debt securities issued	12.9	149 816 775	-
Other liabilities	12.10	62 035	-
Total Liabilities		150 193 037	-
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		150 193 037	-

Off-balance sheet accounts (note 12.11)

To be read with the notes attached to the financial statements.



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(1 201 005)	-
<i>Cash flows arising from operating activities</i>	(1 201 005)	-
Investing Activities		
Receivables:		
Customers Loans	(158 516 750)	-
Interest income	15 555 732	-
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	(142 961 018)	-
Financing Activities		
Receivables:		
Debt securities issuedr	152 573 060	-
Payments:		
Debt securities issued	-	-
Interest Expenses	(2 809 325)	-
<i>Cash flows arising from financing activities</i>	149 763 735	-
Net changes in cash and cash equivalents	5 601 712	-
Cash and cash equivalents balance at the beggining of the year	-	-
Cash and cash equivalents balance at the end of the year	5 601 712	-
Deposits at other Credit Institutions	5 601 712	-



12.1 Net interest income

Description	(Expressed in EUR)	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	4 462 190	-
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	4 462 190	-
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(3 089 944)	-
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	15 654	-
	(3 074 290)	-
<i>Net interest income</i>	1 387 900	-

12.2 Net gains / losses arising from financial assets and liabilities at fair value

Description	(Expressed in EUR)	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	38 564	-
Other gains arising financial operations	3 221 193	-
	3 259 758	-
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	(515 014)	-
Other losses arising financial operations	-	-
	(515 014)	-
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	2 744 744	-

The items “Other gains / Other losses arising from financial operations” include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 12.9).



12.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(19 680)	-
Arranger Fee	(422 420)	-
CMVM	(12 500)	-
Banking Comissions	(1 040)	-
Commitment Fee	-	-
Common Representative	(12 000)	-
Euronext	(74 933)	-
Interbolsa	(737)	-
Irish stock exchange fee	-	-
Issuer fee	(35 833)	-
Legal Fee	(177 468)	-
Other	-	-
Paying Agent fee	(2 080)	-
Rating Agency fee	(145 755)	-
Service fee	(189 669)	-
Transaction Manager	(127 466)	-
	(1 221 582)	-

12.4 Impairment losses on loans

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Loans to customers:</i>		
Impairment losses	(2 911 062)	-
Reversal of impairment losses	-	-
	(2 911 062)	-

12.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	4 201 712	-
Cash Reserve	1 400 000	-
Liquidity Account	-	-
	5 601 712	-

12.6 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	146 046 380	-
Overdue loans	56 631	-
Portfolio acquisition premium/(discount)	-	-
Overdue interest	41 459	-
Accrued interest	-	-
Impairment	(2 809 603)	-
	143 334 867	-



The item "Loans to customers" records the nominal value of the credit acquired under the securitization transaction, minus interim capital receipts and impairment losses, and increased the amount of repurchases of new credits made, as well as the respective periodic interest. Amounts for capital receipts, purchases and write-offs have the following breakdown:

<i>(Expressed in EUR)</i>					
Year	Beggining Balance	Reimbursement	Purchases	Write-off	Ending Balance
2021	150 000 000	(12 312 280)	8 516 750	(101 459)	146 103 011

Changes in impairment for credit risks have the following breakdown:

<i>(Expressed in EUR)</i>		
Description	31-12-2021	31-12-2020
<i>Loans Impairment:</i>		
Balance on 1 January	-	-
Impairment losses	(2 911 062)	-
Reversal of impairment losses	-	-
Loans Written-off	101 459	-
Balance on 31 December	(2 809 603)	-

The item "Loan impairment" records the estimated losses incurred on the year's closing date, determined in accordance with an assessment of objective evidence for impairment, per the accounting policy described in note 3.1.1.

12.7 Other Assets

<i>(Expressed in EUR)</i>		
Description	31-12-2021	31-12-2020
Receivables	1 256 458	-
Up Front Fee	-	-
	1 256 458	-

The item "Receivables" records the amount of 2021 interest receivable in the following year.

12.8 Financial Liabilities held for trading

<i>(Expressed in EUR)</i>		
Description	31-12-2021	31-12-2020
Swaps	314 226	-
	314 226	-

The item "Swaps" corresponds to the fair value of the interest rate swap under the Viriato Finance No. 1 transaction and accrued interest.

The detail of the fair value of the swap with reference to 31st December 2021 and 2020 is shown in the following table:

	Notional Amount	Maturity	Fair Value 2021	Fair Value 2020
Viriato Finance N° 1	144 800 000	0	310 131	0



The counterparty of the Derivative is BNP Paribas, S.A.

12.9 Debt securities issued

The item "Other" recognizes the shortcoming / surplus that would be assumed by the holders of the issued securities if the transactions were closed out on 31st December 2021.

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	151 400 000	-
Accrued interest	407 380	-
Issued notes premium	1 157 406	-
Issued notes discount	-	-
Others	(3 148 010)	-
	149 816 775	-

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on September 2021, ending on October 2040. The amounts of interim repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>			
	Initial	Amortization	New	Ending
2021	151 400 000	-	-	151 400 000

12.10 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	9 840	-
Issuer fee	5 833	-
Others	41 459	-
Paying agent fee	-	-
Service fee	4 167	-
Transaction Manager	737	-
Other Payable	-	-
	62 035	-

12.11 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	-	-
Assets received as collateral	-	-
Swap interest rate	144 800 000	-
	144 800 000	-



13. EnergyOn No. 1 Securitisation Notes

On 6th March 2009, the Company carried out the transaction “EnergyOn No. 1 Securitization Notes”. This transaction entailed the acquisition, from EDP Serviço Universal, SA, of loans with entitlement to receive amounts for payments for positive adjustments to electricity acquisition costs for the years 2007 and 2008. Securitized bonds totalling €1,258,600,000 were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

	DBRS	Moody's
Class A1	A (low)	Aa2
Class A2	-	-
Class B	-	-

This issuance corresponds to 3 tranches of bonds: “Class A1 Notes” issued at par in the amount of €1,253,450,000 with variable remuneration at the one-month Euribor plus a 0.90% spread, with a 1.95% spread after the step-up date; “Class A2 Notes” issued at par in the amount of €150,000 with remuneration of 12 consecutive payments, defined as differential step-up amounts, only insofar as such payments are due; and a third tranche of bonds, “Class B Notes”, issued at par in the amount of €5,000,000, whose remuneration will be the difference between the amounts received and the remuneration paid to “Class A1” and “Class A2” and all costs, fees and expenses due on this date. All are registered with the securities settlement company Interbolsa. Class A1 is listed on the Euronext Lisbon stock exchange. Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 12th March 2010, monthly, beginning with Class A1, followed by Class A2 and finally Class B.

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
EnergyOn No.1					
Class A1-Notes	March 2025	298 947 567	EUR 1 M + 1,95%	1,37%	1,38%
Class A2-Notes	March 2025	150 000	-	-	-
Class B-Notes	March 2025	5 000 000	-	-	-
		304 097 567			

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. The amounts received each month are transferred to the transaction's set of responsibilities in accordance with its terms. Any surpluses generated by the assets will be paid to the holder of the bonds, while any shortcomings will be assumed by the holder on their cancellation date, with no result in the Company's operating accounts.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	<u>Notes</u>	<u>2021</u>	<u>2020</u>
Interest and similiar income	13.1	5 987 313	7 739 834
Interest expense and similiar charges	13.1	(4 854 090)	(6 424 191)
Net interest income		1 133 224	1 315 642
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	13.2	(984 947)	(1 151 748)
General and administrative costs	13.3	(148 277)	(163 895)
Total Operating income/(expense)		(1 133 224)	(1 315 642)
Impairment losses on loans, net of reversals and recoveries		-	-
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	13.4	12 958 817	13 024 050
Balances due from other Credit Institutions	13.5	2 500 000	2 500 000
Loans to customers	13.6	296 593 697	389 849 320
Financial assets held for trading		-	-
Other Assets	13.7	1 092	1 625
Total Assets		312 053 606	405 374 995
Liabilities			
Other Loans		-	-
Financial liabilities held for trading	13.8	6 946 916	10 278 146
Debt securities issued	13.9	302 587 287	392 574 549
Other liabilities	13.10	2 519 404	2 522 300
Total Liabilities		312 053 606	405 374 995
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		312 053 606	405 374 995

Off-balance sheet accounts (note 13.11)

To be read with the notes attached to the financial statements



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(150 640)	(179 708)
<i>Cash flows arising from operating activities</i>	(150 640)	(179 708)
Investing Activities		
Receivables:		
Customers Loans	93 255 623	91 680 128
Interest income	11 034 443	14 481 626
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	104 290 066	106 161 754
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(91 512 830)	(89 970 004)
Interest Expenses	(12 691 830)	(16 088 268)
<i>Cash flows arising from financing activities</i>	(104 204 660)	(106 058 271)
Net changes in cash and cash equivalents	(65 233)	(76 226)
Cash and cash equivalents balance at the beginning of the year	13 024 050	13 100 276
Cash and cash equivalents balance at the end of the year	12 958 817	13 024 050
Deposits at other Credit Institutions	12 958 817	13 024 050



13.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	5 987 313	7 739 834
Interest from deposits	-	-
Portfolio Acquisition premium	-	-
Other interest	-	-
	5 987 313	7 739 834
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(4 812 770)	(6 378 045)
Interest from deposits	(41 319)	(46 146)
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	(4 854 090)	(6 424 191)
<i>Net interest income</i>	1 133 224	1 315 642

13.2 Net gains / losses arising from financial assets and liabilities at fair value

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	8 678 574	9 239 439
Other gains arising financial operations	976 755	1 420 038
	9 655 328	10 659 476
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	(8 045 884)	(10 014 242)
Other losses arising financial operations	(2 594 391)	(1 796 982)
	(10 640 275)	(11 811 224)
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	(984 947)	(1 151 748)

The item "Profits / Losses in transactions with financial trading instruments – swaps" includes changes in fair value and interest accrued from financial derivatives.

The items “Other gains / Other losses arising from financial operations” include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 13.9).



13.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	(12 480)	(12 480)
Audit fee	(28 290)	(29 520)
CMVM	(8 839)	(10 352)
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	(55)	(26)
Interbolsa	(7 811)	(11 019)
Irish stock exchange fee	-	-
Issuer fee	(34 603)	(44 371)
Legal Fee	-	-
Other	(214)	(143)
Paying Agent fee	(2 080)	(2 080)
Rating Agency fee	(28 905)	(28 905)
Service fee	(25 000)	(25 000)
Transaction Manager	-	-
	(148 277)	(163 895)

13.4 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	8 268 962	8 284 582
Cash Reserve	4 689 855	4 739 468
Liquidity Account	-	-
	12 958 817	13 024 050

The item “Deposits” corresponds to deposits at Deutsche Bank, AG – London.

13.5 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Swap collateral account	2 500 000	2 500 000
	2 500 000	2 500 000

The balance of this account corresponds to the margin account under the contracted swap.



13.6 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	296 593 697	389 849 320
Overdue loans	-	-
Portfolio acquisition premium/(discount)	-	-
Overdue interest	-	-
Accrued interest	-	-
Impairment	-	-
	296 593 697	389 849 320

The item "Loans to customers" records the nominal value of the credit acquired under the securitization transaction totalling € 1,275,682,000, minus interim capital receipts and plus accrued interest. Amounts regarding capital receipts are as follows:

Year	<i>(Expressed in EUR)</i>				
	Begginig Balance	Reimbursement	Purchases	Write-off	Ending Balance
2009	1 275 682 000	-	-	-	1 275 682 000
2010	1 275 682 000	(62 647 812)	-	-	1 213 034 188
2011	1 213 034 188	(71 719 681)	-	-	1 141 314 507
2012	1 141 314 507	(70 602 017)	-	-	1 070 712 490
2013	1 070 712 490	(76 216 664)	-	-	994 495 826
2014	994 495 826	(80 193 335)	-	-	914 302 491
2015	914 302 491	(82 145 302)	-	-	832 157 189
2016	832 157 189	(84 614 572)	-	-	747 542 617
2017	747 542 617	(87 095 615)	-	-	660 447 002
2018	660 447 002	(88 744 106)	-	-	571 702 896
2019	571 702 896	(90 173 448)	-	-	481 529 448
2019	481 529 448	(91 680 128)	-	-	389 849 320
2021	389 849 320	(93 255 624)	-	-	296 593 697

13.7 Other assets

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Receivables	-	-
Up Front Fee	1 092	1 625
	1 092	1 625

The item "Up-front fee" records the amount not yet recognized in the results for the initial fee paid for the transaction, which is deferred until maturity, representing the services performed by the Company for the transaction.



13.8 Financial assets held for trade

The detail of the swaps, paid and calculated monthly, is shown in the following table:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Swaps	6 946 916	10 278 146
	6 946 916	10 278 146

The item "Swaps" corresponds to the fair value of the interest rate swap under the EnergyOn No. 1 Securitization Notes and accrued interest. As mentioned before, the counterparty of this operation is Deutsche Bank AG.

The detail of the fair value of the swap with reference to 31st December 2021 and 2020 is shown in the following table:

	Notional Amount	Maturity	Fair Value 2021	Fair Value 2020
EnergyOn No.1	301 645 575	12-02-2025	6 666 851	9 945 109

13.9 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	304 097 567	395 610 397
Accrued interest	341 049	433 118
Issued notes premium	-	-
Issued notes discount	-	-
Others	(1 851 330)	(3 468 966)
	302 587 287	392 574 549

The item "Others" corresponds to the estimated shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in March 2010, ending in May 2025, the legal maturity date for all the tranches. The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2010	1 258 600 000	(55 967 280)	1 202 632 720
2011	1 202 632 720	(70 177 276)	1 132 455 444
2012	1 132 455 444	(69 507 872)	1 062 947 572
2013	1 062 947 572	(74 384 954)	988 562 618
2014	988 562 618	(78 497 378)	910 065 240
2015	910 065 240	(80 577 864)	829 487 376
2016	829 487 376	(82 943 450)	746 543 926
2017	746 543 926	(85 386 057)	661 157 869
2018	661 157 869	(87 080 001)	574 077 868
2019	574 077 868	(88 497 468)	485 580 400
2020	485 580 400	(89 970 004)	395 610 397
2021	395 610 397	(91 512 830)	304 097 567



13.10 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	1 040	1 040
Audit fee	14 760	15 990
Issuer fee	1 520	3 187
Others	2 500 000	2 500 000
Paying agent fee	-	-
Service fee	2 083	2 083
Transaction Manager	-	-
Other Payable	-	-
	2 519 404	2 522 300

The line “others” corresponds to the margin account under the contracted swap.

13.11 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	-	-
Assets received as collateral	-	-
Swap interest rate	301 645 575	390 623 117
	301 645 575	390 623 117



14. EnergyOn No. 2 Securitisation Notes

On 3rd December 2009, the Company carried out the transaction “EnergyOn No. 2 Securitization Notes”. This transaction entailed the acquisition, from EDP Serviço Universal, S.A., of loans with entitlement to receive amounts for payments for positive adjustments to electricity acquisition costs for the year 2009. Securitized bonds totalling €440,850,000 were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings attributed on 31st December 2021 were as follows:

	DBRS	Moody's
Class A	A (low)	Aa3
Class B	-	-

This issuance corresponds to 2 tranches of bonds: “Class A Notes” issued at par in the amount of €440,650,000 with variable remuneration at the one-month Euribor plus a 0.90% spread, with a 1.60% spread after the step-up date; “Class B Notes” issued at par in the amount of €200,000 with remuneration corresponding to 12 consecutive payments, defined as differential step-up amounts, only insofar as these payments are due. All are registered with the securities settlement company Interbolsa. Class A is listed on the Euronext Lisbon stock exchange. Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 12th March 2010, monthly, beginning with Class A, followed by Class B.

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
EnergyOn No.2					
Class A-Notes	May 2025	104 954 849	EUR 1 M + 1,60%	1.02%	1.03%
Class B-Notes	May 2025	200 000	-	-	-
		105 154 849			

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. The amounts received each month are transferred to the transaction's set of responsibilities in accordance with its terms. Any surpluses generated by the assets will be paid to the holder of the bonds, while any shortcomings will be assumed by the holder on their cancellation date, with no result in the Company's operating accounts.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
		<i>(Expressed in EUR)</i>	
Interest and similiar income	14.1	1 666 618	2 162 171
Interest expense and similiar charges	14.1	(1 281 382)	(1 718 605)
Net interest income		385 235	443 566
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss	14.2	(269 732)	(319 849)
General and administrative costs	14.3	(115 503)	(123 717)
Total Operating income/(expense)		(385 235)	(443 566)
Impairment losses on loans, net of reversals and recoveries		-	-
Operating income		-	(0)
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements



Balance Sheet as of 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	14.4	4 509 208	4 543 208
Balances due from other Credit Institutions		-	-
Loans to customers	14.5	104 035 721	136 746 851
Financial assets held for trading		-	-
Other Assets	14.6	1 143	1 702
Total Assets		108 546 072	141 291 761
Liabilities			
Other Loans		-	-
Financial liabilities held for trading	14.7	1 861 215	2 968 557
Debt securities issued	14.8	106 669 381	138 305 568
Other liabilities	14.9	15 476	17 635
Total Liabilities		108 546 072	141 291 761
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		108 546 072	141 291 761

Off-balance sheet accounts (note 14.10)

To be read with the notes attached to the financial statements



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(1 048 999)	(135 956)
<i>Cash flows arising from operating activities</i>	<u>(1 048 999)</u>	<u>(135 956)</u>
Investing Activities		
Receivables:		
Customers Loans	32 711 130	32 158 496
Interest income	4 859 877	5 141 145
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	<u>37 571 007</u>	<u>37 299 641</u>
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(32 184 742)	(31 642 136)
Interest Expenses	(4 371 266)	(5 563 987)
<i>Cash flows arising from financing activities</i>	<u>(36 556 008)</u>	<u>(37 206 123)</u>
Net changes in cash and cash equivalents	(34 000)	(42 437)
Cash and cash equivalents balance at the beginning of the year	4 543 208	4 585 645
Cash and cash equivalents balance at the end of the year	<u>4 509 208</u>	<u>4 543 208</u>
Deposits at other Credit Institutions	4 509 208	4 543 208



14.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similar income</i>		
Interest from loans and advances	2 100 160	2 714 889
Interest from deposits	-	-
Portfolio Acquisition premium	(433 543)	(552 718)
Other interest	-	-
	<u>1 666 618</u>	<u>2 162 171</u>
<i>Interest expenses and similar changes</i>		
Interest from debt securities issued	(1 265 257)	(1 702 264)
Interest from deposits	(16 125)	(16 341)
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	<u>(1 281 382)</u>	<u>(1 718 605)</u>
<i>Net interest income</i>	<u>385 235</u>	<u>443 566</u>

14.2 Net gains / losses arising from financial assets and liabilities at fair value

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Gains arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	2 922 868	3 092 599
Other gains arising financial operations	1 012 252	470 004
	<u>3 935 120</u>	<u>3 562 603</u>
<i>Losses arising from financial assets and liabilities at fair value through profit and loss</i>		
Financial assets held-for-trading - Swaps	(2 619 713)	(3 474 970)
Other losses arising financial operations	(1 585 139)	(407 482)
	<u>(4 204 852)</u>	<u>(3 882 452)</u>
<i>Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss</i>	<u>(269 732)</u>	<u>(319 849)</u>

The item "Profits / Losses in transactions with financial trading instruments – swaps" includes changes in fair value and interest accrued from financial derivatives. The items "Other gains/ (other losses) arising from financial operations" include the recognition, during the year, of the shortcoming / surplus assumed by the holders of the securities (note 14.8).



14.3 General and administrative expenses

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	(10 400)	(10 400)
Audit fee	(22 140)	(23 370)
CMVM	(3 068)	(3 603)
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	(53)
Interbolsa	(3 632)	(4 834)
Irish stock exchange fee	-	-
Issuer fee	(19 449)	(24 714)
Legal Fee	-	-
Other	(214)	(143)
Paying Agent fee	(2 080)	(2 080)
Rating Agency fee	(29 520)	(29 520)
Service fee	(25 000)	(25 000)
Transaction Manager	-	-
	(115 503)	(123 717)

14.4 Deposits at other Credit Institutions

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	2 900 622	2 906 082
Cash Reserve	1 608 586	1 637 126
Liquidity Account	-	-
	4 509 208	4 543 208

The item “Deposits” corresponds to deposits at Deutsche Bank, AG – London.

14.5 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	104 035 721	136 746 851
Overdue loans	-	-
Portfolio acquisition premium/(discount)	-	-
Overdue interest	-	-
Accrued interest	-	-
Impairment	-	-
	104 035 721	136 746 851

The item "Loans" records the nominal value of the credit acquired under the securitization transaction totalling € 447,469.00, minus interim capital receipts and plus accrued interest. Amounts regarding capital receipts are as follows:



(Expressed in EUR)

Year	Begging Balance	Reimbursement	Purchases	Write-off	Ending Balance
2009	447 469 000	-	-	-	447 469 000
2010	447 469 000	(21 974 874)	-	-	425 494 126
2011	425 494 126	(25 157 001)	-	-	400 337 125
2012	400 337 125	(24 764 954)	-	-	375 572 171
2013	375 572 171	(26 734 399)	-	-	348 837 772
2014	348 837 772	(28 129 291)	-	-	320 708 481
2015	320 708 481	(28 813 981)	-	-	291 894 500
2016	291 894 500	(29 680 125)	-	-	262 214 375
2017	262 214 375	(30 550 393)	-	-	231 663 982
2018	231 663 982	(31 128 634)	-	-	200 535 348
2019	200 535 348	(31 630 001)	-	-	168 905 347
2020	168 905 347	(32 158 496)	-	-	136 746 851
2021	136 746 851	(32 711 130)	-	-	104 035 721

14.6 Other assets

(Expressed in EUR)

Description	31-12-2021	31-12-2020
Receivables	-	-
Up Front Fee	1 143	1 702
	1 143	1 702

The item "Up-front fee" records the amount not yet recognized in the results for the initial fee paid for the transaction, which is deferred until maturity, representing the services performed by the Company for the transaction.

14.7 Financial assets held for trade

(Expressed in EUR)

Description	31-12-2021	31-12-2020
Swaps	1 861 215	2 968 557
	1 861 215	2 968 557

The item "Swaps" corresponds to the fair value of the interest rate swap transaction and accrued interest.

The detail of the fair value of the swap with reference to 31st December 2021 and 2020 is shown in the following table:

	Notional Amount	Maturity	Fair Value 2021	Fair Value 2020
EnergyOn No.2	105 196 040	12-02-2025	1 865 391	2 869 628

As mentioned before, the counterparty of this derivative is Banco Santander, S.A.



14.8 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	105 154 849	137 339 591
Accrued interest	89 124	113 456
Issued notes premium	-	-
Issued notes discount	-	-
Others	1 425 408	852 520
	106 669 381	138 305 568

The item "Other" corresponds to the estimated shortcoming / surplus that would be assumed by the holders of the issued securities if the transaction ended on 31st December 2021.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in March 2010, ending in May 2025, the legal maturity date for all the tranches. The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2009	440 850 000	-	440 850 000
2010	440 850 000	(19 683 496)	421 166 504
2011	421 166 504	(24 681 102)	396 485 402
2012	396 485 402	(24 445 670)	372 039 732
2013	372 039 732	(26 160 926)	345 878 806
2014	345 878 806	(27 607 250)	318 271 556
2015	318 271 556	(28 338 952)	289 932 604
2016	289 932 604	(29 170 923)	260 761 681
2017	260 761 681	(30 029 976)	230 731 705
2018	230 731 705	(30 625 728)	200 105 977
2019	200 105 977	(31 124 250)	168 981 727
2020	168 981 727	(31 642 136)	137 339 591
2021	137 339 591	(32 184 742)	105 154 849

14.9 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	867	867
Audit fee	11 685	12 915
Issuer fee	841	1 770
Others	-	-
Paying agent fee	-	-
Service fee	2 083	2 083
Transaction Manager	-	-
Other Payable	-	-
	15 476	17 635



14.10 Off-balance sheet accounts

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Credits Written-off	-	-
Assets received as collateral	-	-
Swap interest rate	105 196 040	137 380 778
	105 196 040	137 380 778

**15. Volta IV Electricity Receivables Securitization Notes**

On 3rd August 2016, the Company carried out the transaction “Volta IV Electricity Receivables Securitization Notes”. This transaction entailed the acquisition, from EDP Serviço Universal, S.A., of loans with entitlement to receive amounts for payments for positive adjustments to electricity acquisition costs for the year 2016. Securitized bonds totalling € 604,016,000 were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

This issuance corresponds to 3 tranches of bonds: “Senior Notes” issued in the amount of € 600,000,000; “Class R Notes” issued in the amount of € 381,000; “Liquidity Notes” issued in the amount of € 3,635,000.

The remuneration of the Senior Notes is fixed, with an annual rate of 2.423%. The remaining classes do not have a set interest rate, with entitlement to the available amounts after the transaction's other responsibilities have been fulfilled, as stipulated in its terms and conditions.

As expected, the operation was settled on February 12, 2021, repaying the entirety of the tranches.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:



Income Statement

For the years ended 31 December 2021 and 2020

	Notes	2021	2020
		<i>(Expressed in EUR)</i>	
Interest and similiar income	15.1	284 204	2 418 744
Interest expense and similiar charges	15.1	(200 896)	(2 187 778)
Net interest income		83 308	230 966
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss		-	-
General and administrative costs	15.2	(83 308)	(230 966)
Total Operating income/(expense)		(83 308)	(230 966)
Impairment losses on loans, net of reversals and recoveries		-	-
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as of 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	<u>31-12-2021</u>	<u>31-12-2020</u>
Assets		
Deposits at other Credit Institutions	15.3	- 13 406 769
Balances due from other Credit Institutions		-
Loans to customers	15.4	- 12 688 231
Financial assets held for trading		-
Other Assets		-
Total Assets	-	26 095 000
Liabilities		
Other Loans		-
Financial liabilities held for trading		-
Debt securities issued	15.5	- 26 073 738
Other liabilities	15.6	- 21 262
Total Liabilities	-	26 095 000
Equity		
Share Capital		-
Other equity instruments		-
Reserves and retained earnings		-
Net income for the period		-
Total Equity	-	-
Total Equity and Liabilities	-	26 095 000

To be read with the notes attached to the financial statements.



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(104 570)	(243 576)
<i>Cash flows arising from operating activities</i>	(104 570)	(243 576)
Investing Activities		
Receivables:		
Customers Loans	12 688 224	151 980 712
Interest income	284 204	3 688 424
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	12 972 428	155 669 136
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(26 174 796)	(153 577 492)
Interest Expenses	(99 831)	(2 800 489)
<i>Cash flows arising from financing activities</i>	(26 274 627)	(156 377 982)
Net changes in cash and cash equivalents	(13 406 769)	(952 421)
Cash and cash equivalents balance at the beginning of the year	13 406 769	14 359 190
Cash and cash equivalents balance at the end of the year	13 406 769	13 406 769
Deposits at other Credit Institutions	-	13 406 769



15.1 Net interest income

Description	(Expressed in EUR)	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	284 204	3 688 424
Interest from deposits	-	-
Portfolio Acquisition premium	-	(1 269 680)
Other interest	-	-
	284 204	2 418 744
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(200 896)	(2 187 778)
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	(200 896)	(2 187 778)
<i>Net interest income</i>	83 308	230 966

15.2 General and administrative expenses

Description	(Expressed in EUR)	
	2021	2020
Agent bank fee	-	-
Audit fee	(17 144)	(18 450)
CMVM	(35)	(2 579)
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	-
Interbolsa	(3 446)	(5 527)
Irish stock exchange fee	-	-
Issuer fee	(167)	(14 556)
Legal Fee	(246)	-
Other	-	-
Paying Agent fee	-	-
Rating Agency fee	(51 084)	(59 748)
Service fee	(5 000)	(60 000)
Transaction Manager	(6 185)	(70 106)
	(83 308)	(230 966)



15.3 Deposits at other Credit Institutions:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	-	12 972 428
Cash Reserve	-	278 037
Liquidity Account	-	156 304
	-	13 406 769

The item "Deposits at other Credit Institutions - Notes" corresponds to deposits at Citibank – London Branch.

15.4 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	-	12 688 231
Overdue loans	-	-
Portfolio acquisition premium/(discount)	-	-
Overdue interest	-	-
Accrued interest	-	-
Impairment	-	-
	-	12 688 231

The item "Loans and advances to customers" records the nominal value of the credit acquired under the securitization transaction totalling €599,987,316, minus the interim capital receipts. This item includes the loan acquisition discount paid in full at the start of the transaction, totalling €2,286,625. Amounts for capital receipts are as follows:

Year	<i>(Expressed in EUR)</i>				
	Begging Balance	Reimbursement	Purchases	Write-off	Ending Balance
2016	599 987 316	(9 080 836)	-	-	590 906 480
2017	590 906 480	(132 192 070)	-	-	458 714 410
2018	458 714 410	(145 394 390)	-	-	313 320 020
2019	313 320 020	(148 651 077)	-	-	164 668 943
2020	164 668 943	(151 980 712)	-	-	12 688 231
2021	12 688 231	(12 688 224)	-	(7)	-

15.5 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	-	26 340 613.55
Accrued interest	-	73 753.95
Issued notes premium	-	-
Issued notes discount	-	-
Others	-	(340 629.80)
	-	26 073 738

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in May 2015, ending in February 2021, the legal maturity date for all the tranches. The amounts of interim securitization bond repayments had the following breakdown:



(Expressed in EUR)

Year	Initial	Amortization	Ending
2016	604 016 000	(5 597 518)	598 418 482
2017	598 418 482	(122 275 956)	476 142 526
2018	476 142 526	(146 319 727)	329 822 799
2019	329 822 799	(149 904 693)	179 918 106
2020	179 918 106	(153 577 492)	26 340 614
2021	26 340 614	(26 340 614)	

15.6 Other liabilities

(Expressed in EUR)

Description	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	-	-
Issuer fee	-	329
Others	-	5 401
Paying agent fee	-	5 000
Service fee	-	10 531
Transaction Manager	-	-
Other Payable	-	-
	-	21 262



16. Volta V Electricity Receivables Securitization Notes

On 6th December 2017, the Company carried out the transaction “Volta V Electricity Receivables Securitisation Notes” – This transaction entailed the acquisition, from EDP Serviço Universal, S.A., of loans with entitlement to receive amounts for payments for positive adjustments to electricity acquisition costs for the year 2016. Securitized bonds totalling € 601,647,000 were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings for the different classes on 31st December 2021 were as follows:

	Fitch	Moody's
Fixed Rate Senior Asset-Backed	A	Aa3
Liquidity Notes	-	-
Class R Notes	-	-

This issuance corresponds to 3 tranches of bonds: “Senior Notes” issued in the amount of € 600,000,000; “Class R Notes” issued in the amount of € 372,000; “Liquidity Notes” issued in the amount of € 1,275,000.

The remuneration of the Senior Notes is fixed, with an annual rate of 0.85%. The remaining classes do not have a set interest rate, with entitlement to the available amounts after the transactions of other responsibilities have been fulfilled, as stipulated in its terms and conditions.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 12th January 2018, ending on 12th February 2022, the legal maturity date for all the tranches.

The senior tranche is registered with the securities settlement company Interbolsa and listed on the Euronext Lisbon stock exchange. Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 12 January 2018, monthly, with final repayment scheduled for 12th February 2022, the legal maturity date for all the tranches.

Impairment

There is no impairment of the portfolio for the portfolio of this operation. The underlying asset of this transaction is the tariff deficit, as defined in the prospectus. According to the prospectus of the transaction, it is also possible verify that the risk of recoverability is ultimately the Country Risk. The Company considered that the risk of impairment in these operations being reduced and the fact that there was never any loss recorded in these operations, any impairment to be calculated would be irrelevant to the Company's accounts.



Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021
Volta V Electricity Receivables Securitisation Notes				
Fixed Rate Senior Notes	February 2022	25 153 204	Fixa	0.85%
Class R Notes	February 2022	53 451	-	-
Liquidity Notes	February 2022	372 000	-	-
		25 578 655		

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. The amounts received each month are transferred to the transaction's set of responsibilities in accordance with its terms. Any surpluses generated by the assets will be paid to the holder of the bonds, while any shortcomings will be assumed by the holder on their cancellation date, with no result in the Company's operating accounts.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		2021	2020
Interest and similiar income	16.1	1 247 880	2 501 767
Interest expense and similiar charges	16.1	(1 025 116)	(2 272 179)
Net interest income		222 764	229 587
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss		-	-
General and administrative costs	16.2	(222 764)	(229 587)
Total Operating income/(expense)		(222 764)	(229 587)
Impairment losses on loans, net of reversals and recoveries		-	-
Operating income		-	()
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as of 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	<u>Notes</u>	<u>31-12-2021</u>	<u>31-12-2020</u>
<i>Assets</i>			
Deposits at other Credit Institutions	16.3	12 915 862	13 262 997
Balances due from other Credit Institutions		-	-
Loans to customers	16.4	12 610 419	162 813 735
Financial assets held for trading		-	-
Other Assets		-	-
Total Assets		25 526 281	176 076 732
<i>Liabilities</i>			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	16.5	25 505 906	176 053 073
Other liabilities	16.6	20 375	23 659
Total Liabilities		25 526 281	176 076 732
<i>Equity</i>			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		25 526 281	176 076 732

To be read with the notes attached to the financial statements.



Cash Flow Statement
for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(226 048)	(240 749)
<i>Cash flows arising from operating activities</i>	<u>(226 048)</u>	<u>(240 749)</u>
Investing Activities		
Receivables:		
Customers Loans	148 430 374	145 693 656
Interest income	3 020 822	5 757 540
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	<u>151 451 196</u>	<u>151 451 196</u>
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(150 492 591)	(149 219 274)
Interest Expenses	(1 079 692)	(2 319 164)
<i>Cash flows arising from financing activities</i>	<u>(151 572 283)</u>	<u>(151 538 438)</u>
Net changes in cash and cash equivalents	(347 135)	(327 990)
Cash and cash equivalents balance at the beginning of the year	<u>13 262 997</u>	<u>13 590 987</u>
Cash and cash equivalents balance at the end of the year	<u>12 915 862</u>	<u>13 262 997</u>
Deposits at other Credit Institutions	12 915 862	13 262 997



16.1 Net interest income

Description	(Expressed in EUR)	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	3 020 822	5 757 540
Interest from deposits	-	-
Portfolio Acquisition premium	(1 772 942)	(3 255 773)
Other interest	-	-
	1 247 880	2 501 767
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(1 025 116)	(2 272 179)
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	(1 025 116)	(2 272 179)
Net interest income	222 764	229 587

16.2 General and administrative expenses:

Description	(Expressed in EUR)	
	2021	2020
Agent bank fee	-	-
Audit fee	(17 144)	(18 450)
CMVM	(3 190)	(8 269)
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	-
Interbolsa	(4 857)	(8 638)
Irish stock exchange fee	-	-
Issuer fee	(14 199)	(36 685)
Legal Fee	(9 762)	(7 832)
Other	-	-
Paying Agent fee	-	-
Rating Agency fee	(45 032)	(20 295)
Service fee	(60 000)	(60 000)
Transaction Manager	(68 581)	(69 418)
	(222 764)	(229 587)

16.3 Deposits at other Credit Institutions:

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
Deposits	12 634 347	12 634 347
Cash Reserve	228 064	256 081
Liquidity Account	53 451	372 569
	12 915 862	13 262 997

The item "Deposits at other Credit Institutions - Notes" corresponds to deposits at Citibank – London Branch.



16.4 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	12 388 241	160 818 615
Overdue loans	-	-
Portfolio acquisition premium/(discount)	222 178	1 995 120
Overdue interest	-	-
Accrued interest	-	-
Impairment	-	-
	12 610 419	162 813 735

Amounts for capital receipts are as follows:

Year	<i>(Expressed in EUR)</i>				
	Begginig Balance	Reimbursement	Purchases	Write-off	Ending Balance
2017	583 538 751	(19 020 768)	16 446 815	-	580 964 797
2018	580 964 797	(131 445 103)	-	-	449 519 694
2019	449 519 694	(143 007 423)	-	-	306 512 271
2020	306 512 271	(145 693 656)	-	-	160 818 615
2021	160 818 615	(148 430 374)	-	-	12 388 241

16.5 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	25 578 655	176 071 245
Accrued interest	17 817	124 190
Issued notes premium	-	-
Issued notes discount	-	-
Others	(90 565)	(142 362)
	25 505 906	176 053 073

In accordance with the contractual provisions, the repayment date for the bonds began in May 2015, ending in February 2022, the legal maturity date for all tranches. The amounts referring to the amortizations of securitization obligations that have occurred in the meantime are analysed as follows:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2017	601 647 000	-	601 647 000
2018	601 647 000	(128 399 751)	473 247 249
2019	473 247 249	(147 956 730)	325 290 519
2020	325 290 519	(149 219 274)	176 071 245
2021	176 071 245	(150 492 591)	25 578 654



16.6 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	9 225	10 531
Issuer fee	320	2 201
Others	-	-
Paying agent fee	-	-
Service fee	5 000	5 000
Transaction Manager	5 830	5 927
Other Payable	-	-
	20 375	23 659



17. Volta VI Electricity Receivables Securitisation Notes

On 27th June 2018, the Company carried out the transaction “Volta VI Electricity Receivables Securitisation Notes” – This transaction entailed the acquisition, from EDP Serviço Universal, S.A., of loans with entitlement to receive amounts for payments for positive adjustments to electricity acquisition costs for the year 2017. Securitised bonds totalling €652,163,000 were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings for the different classes on 31st December 2021 were as follows:

	Fitch	Moody's
Fixed Rate Senior Asset-Backed	A-	Aa2
Liquidity Notes	-	-
Class R Notes	-	-

This issuance corresponds to 3 tranches of bonds: “Senior Notes” issued in the amount of €650,000,000; “Class R Notes” issued in the amount of €375,000; “Liquidity Notes” issued in the amount of €1,788,000.

The remuneration of the Senior Notes is fixed, with an annual rate of 1.10%. The remaining classes do not have a set interest rate, with entitlement to the available amounts after the transactions of other responsibilities have been fulfilled, as stipulated in its terms and conditions.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 13th August 2018, ending on 13th February 2023, the legal maturity date for all the tranches.

The senior tranche is registered with the securities settlement company Interbolsa and listed on the Euronext Lisbon stock exchange. Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 13th August 2018, monthly, with final repayment scheduled for 13th February 2023, the legal maturity date for all the tranches.

Impairment

There is no impairment of the portfolio for the portfolio of this operation. The underlying asset of this transaction is the tariff deficit, as defined in the prospectus. According to the prospectus of the transaction, it is also possible verify that the risk of recoverability is ultimately the Country Risk. The Company considered that the risk of impairment in these operations being reduced and the fact that there was never any loss recorded in these operations, any impairment to be calculated would be irrelevant to the Company's accounts.



Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021
Volta VI Electricity Receivables Securitisation Notes				
Fixed Rate Senior Notes due 2023	February 2023	192 242 480	Fixa	1.10%
Class R Notes due 2023	February 2023	528 667	-	-
Liquidity Notes due 2023	February 2023	375 000	-	-
		193 146 147		

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. The amounts received each month are transferred to the transaction's set of responsibilities in accordance with its terms. Any surpluses generated by the assets will be paid to the holder of the bonds, while any shortcomings will be assumed by the holder on their cancellation date, with no result in the Company's operating accounts.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		2021	2020
Interest and similiar income	17.1	3 322 153	5 255 368
Interest expense and similiar charges	17.1	(3 070 795)	(4 954 514)
Net interest income		251 358	300 854
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss		-	-
General and administrative costs	17.2	(251 358)	(300 854)
Total Operating income/(expense)		(251 358)	(300 854)
Impairment losses on loans, net of reversals and recoveries		-	-
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as of 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	17.3	14 512 660	14 989 882
Balances due from other Credit Institutions		-	-
Loans to customers	17.4	178 665 148	341 632 023
Financial assets held for trading		-	-
Other Assets		-	-
Total Assets		193 177 808	356 621 905
Liabilities			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	17.5	193 154 987	356 595 634
Other liabilities	17.6	22 821	26 271
Total Liabilities		193 177 808	356 621 905
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		193 177 808	356 621 905

To be read with the notes attached to the financial statements.



Cash Flow Statement

for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(254 808)	(311 935)
<i>Cash flows arising from operating activities</i>	(254 808)	(311 935)
Investing Activities		
Receivables:		
Customers Loans	161 238 412	158 868 251
Interest income	5 050 616	7 420 777
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	166 289 028	166 289 028
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(163 275 673)	(161 490 295)
Interest Expenses	(3 235 769)	(4 958 801)
<i>Cash flows arising from financing activities</i>	(166 511 442)	(166 449 097)
Net changes in cash and cash equivalents	(477 222)	(472 003)
Cash and cash equivalents balance at the beginning of the year	14 989 882	15 461 885
Cash and cash equivalents balance at the end of the year	14 512 660	14 989 882
Deposits at other Credit Institutions	14 512 660	14 989 882



17.1 Net interest income

Description	(Expressed in EUR)	
	2021	2020
<i>Interest and similiar income</i>		
Interest from loans and advances	5 050 616	7 420 777
Interest from deposits	-	-
Portfolio Acquisition premium	(1 728 463)	(2 165 409)
Other interest	-	-
	<u>3 322 153</u>	<u>5 255 368</u>
<i>Interest expenses and similiar changes</i>		
Interest from debt securities issued	(3 070 795)	(4 954 514)
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	<u>(3 070 795)</u>	<u>(4 954 514)</u>
<i>Net interest income</i>	<u>251 358</u>	<u>300 854</u>

17.2 General and administrative expenses:

Description	(Expressed in EUR)	
	2021	2020
Agent bank fee	-	-
Audit fee	(16 605)	(17 835)
CMVM	(7 427)	(10 072)
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	-
Interbolsa	(7 989)	(12 607)
Irish stock exchange fee	-	-
Issuer fee	(40 219)	(64 588)
Legal Fee	-	(15 514)
Other	-	-
Paying Agent fee	-	-
Rating Agency fee	(42 478)	(41 832)
Service fee	(60 000)	(60 000)
Transaction Manager	(76 640)	(78 406)
	<u>(251 358)</u>	<u>(300 854)</u>

17.3 Deposits at other Credit Institutions:

Description	(Expressed in EUR)	
	31-12-2021	31-12-2020
Deposits	13 871 180	13 871 180
Cash Reserve	112 813	142 258
Liquidity Account	528 667	976 444
	<u>14 512 660</u>	<u>14 989 882</u>

The item "Deposits" corresponds to deposits at Citibank – London Branch.



17.4 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	177 297 645	338 536 057
Overdue loans	-	-
Portfolio acquisition premium/(discount)	1 367 503	3 095 966
Overdue interest	-	-
Accrued interest	-	-
Impairment	-	-
	178 665 148	341 632 023

Amounts for capital receipts are as follows:

Year	<i>(Expressed in EUR)</i>				
	Begging Balance	Reimbursement	Purchases	Write-off	Ending Balance
2018	641 068 818	-	-	-	641 068 818
2019	641 068 818	(143 664 510)	-	-	497 404 308
2020	497 404 308	(158 868 251)	-	-	338 536 057
2021	338 536 057	(161 238 412)	-	-	177 297 645

17.5 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	193 146 147	356 421 820
Accrued interest	196 009	340 847
Issued notes premium	-	-
Issued notes discount	-	-
Others	(187 169)	(167 032)
	193 154 987	356 595 634

In accordance with the contractual provisions, the repayment date for the bonds began in August 2018, ending in February 2023, the legal maturity date for all tranches. The amounts referring to the amortizations of securitization obligations that have occurred in the meantime are analysed as follows:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2018	652 163 000	(683 125)	651 479 875
2019	651 479 875	(133 567 760)	517 912 115
2020	517 912 115	(161 490 295)	356 421 820
2021	356 421 820	(163 275 673)	193 146 147



17.6 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	8 918	10 148
Issuer fee	2 414	4 455
Others	-	-
Paying agent fee	-	-
Service fee	5 000	5 000
Transaction Manager	6 490	6 668
Other Payable	-	-
	22 821	26 271



18. Volta VII Electricity Receivables Securitization Notes

On 26th June 2019, the Company carried out the transaction “Volta VII Electricity Receivables Securitisation Notes” – This transaction entailed the acquisition, from EDP Serviço Universal, S.A., of loans with entitlement to receive amounts for payments for positive adjustments to electricity acquisition costs for the year 2019 and adjustments from previous two years. Securitised bonds totalling € 476,321,000 were issued at par. These bonds were placed privately and subsequently registered with the Portuguese Securities Market Commission (CMVM).

The ratings for the different classes on 31st December 2021 were as follows:

	Fitch	Moody's
Fixed Rate Senior Asset-Backed Liquidity Notes	A-	Aa2
Class R Notes	-	-

This issuance corresponds to 3 tranches of bonds: “Senior Notes” issued in the amount of € 475,000,000; “Class R Notes” issued in the amount of € 490,000; “Liquidity Notes issued in the amount of € 831,000.

The remuneration of the Senior Notes is fixed, with an annual rate of 0.7%. The remaining classes do not have a set interest rate, with entitlement to the available amounts after the transaction's other responsibilities have been fulfilled, as stipulated in its terms and conditions.

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 12th August 2019, ending on 12th February 2024, the legal maturity date for all the tranches.

The senior tranche is registered with the securities settlement company Interbolsa and listed on the Euronext Lisbon stock exchange. Pursuant to the provisions of the contractual agreement, the bonds' repayment date began on 12th August 2019, monthly, with final repayment scheduled for 12th February 2024, the legal maturity date for all the tranches.

Impairment

There is no impairment of the portfolio for the portfolio of this operation. The underlying asset of this transaction is the tariff deficit, as defined in the prospectus. According to the prospectus of the transaction, it is also possible verify that the risk of recoverability is ultimately the Country Risk. The Company considered that the risk of impairment in these operations being reduced and the fact that there was never any loss recorded in these operations, any impairment to be calculated would be irrelevant to the Company's accounts.

Debt securities issued

Description	Legal Maturity	Amount EUR	Spread	Interest Rate 31.12.2021	Interest Rate 31.12.2020
Volta VII Electricity Receivables Securitisation Notes					
Fixed Rate Senior Asset-Backed Notes due 2024	February 2024	226 488 699	Fixa	0.70%	0.70%
Liquidity Notes due 2024	February 2024	396 355	-	-	-
Class R Notes due 2024	February 2024	490 000	-	-	-
		227 375 054			

The item “Debt securities issued” records the carrying value of securitization bonds within the scope of the securitization transaction. The amounts received each month are transferred to the



transaction's set of responsibilities in accordance with its terms. Any surpluses generated by the assets will be paid to the holder of the bonds, while any shortcomings will be assumed by the holder on their cancellation date, with no result in the Company's operating accounts.

The transaction's financial statements are shown with reference to 31st December 2021 and 2020:

Income Statement

For the years ended 31 December 2021 and 2020

		<i>(Expressed in EUR)</i>	
	Notes	2021	2020
Interest and similiar income	18.1	2 539 132	3 326 895
Interest expense and similiar charges	18.1	(2 266 093)	(3 017 690)
Net interest income		273 039	309 205
Results from services and fees		-	-
Net gains/(losses) arising from financial assets and liabilities at fair value through profit and loss		-	-
General and administrative costs	18.2	(273 039)	(309 205)
Total Operating income/(expense)		(273 039)	(309 205)
Impairment losses on loans, net of reversals and recoveries		-	-
Operating income		-	-
Income before taxes		-	-
Income taxes		-	-
Net income for the year		-	-

To be read with the notes attached to the financial statements.



Balance Sheet as of 31 December 2021 and 2020

	Notes	<i>(Expressed in EUR)</i>	
		31-12-2021	31-12-2020
Assets			
Deposits at other Credit Institutions	18.3	9 657 700	9 857 317
Balances due from other Credit Institutions		-	-
Loans to customers	18.4	218 265 606	321 488 906
Financial assets held for trading		-	-
Other Assets		-	-
Total Assets		227 923 306	331 346 223
Liabilities			
Other Loans		-	-
Financial liabilities held for trading		-	-
Debt securities issued	18.5	227 893 336	331 307 387
Other liabilities	18.6	29 970	38 836
Total Liabilities		227 923 306	331 346 223
Equity			
Share Capital		-	-
Other equity instruments		-	-
Reserves and retained earnings		-	-
Net income for the period		-	-
Total Equity		-	-
Total Equity and Liabilities		227 923 306	331 346 223

To be read with the notes attached to the financial statements.



Cash Flow Statement
for the year ended 31 December 2021 and 2020

	<i>(Expressed in EUR)</i>	
	2021	2020
Operating Activities		
Other receivables/(payments) associated with the operating activities	(281 904)	(314 842)
<i>Cash flows arising from operating activities</i>	(281 904)	(314 842)
Investing Activities		
Receivables:		
Customers Loans	102 248 633	101 134 138
Interest income	3 513 799	4 628 294
Payments:		
Loan Portfolio acquisition	-	-
Financial Investments	-	-
<i>Cash flows arising from investing activities</i>	105 762 432	105 762 432
Financing Activities		
Receivables:		
Debt securities issued	-	-
Payments:		
Debt securities issued	(103 561 537)	(102 839 347)
Interest Expenses	(2 118 608)	(2 806 468)
<i>Cash flows arising from financing activities</i>	(105 680 145)	(105 645 815)
Net changes in cash and cash equivalents	(199 617)	(198 225)
Cash and cash equivalents balance at the beginning of the year	9 857 317	10 055 542
Cash and cash equivalents balance at the end of the year	9 657 700	9 857 317
Deposits at other Credit Institutions	9 657 700	9 857 317



18.1 Net interest income

Description	<i>(Expressed in EUR)</i>	
	2021	2020
<i>Interest and similar income</i>		
Interest from loans and advances	3 513 799	4 628 294
Interest from deposits	-	-
Portfolio Acquisition premium	(974 667)	(1 301 399)
Other interest	-	-
	<u>2 539 132</u>	<u>3 326 895</u>
<i>Interest expenses and similar changes</i>		
Interest from debt securities issued	(2 266 093)	(3 017 690)
Interest from deposits	-	-
Interest from other financial liabilities	-	-
Premium bond issue	-	-
	<u>(2 266 093)</u>	<u>(3 017 690)</u>
Net interest income	<u>273 039</u>	<u>309 205</u>

18.2 General and administrative expenses:

Description	<i>(Expressed in EUR)</i>	
	2021	2020
Agent bank fee	-	-
Audit fee	(9 840)	(17 835)
CMVM	(7 225)	(9 244)
Banking Comissions	-	-
Commitment Fee	-	-
Common Representative	-	-
Euronext	-	-
Interbolsa	(7 977)	(10 976)
Irish stock exchange fee	-	-
Issuer fee	(61 235)	(76 595)
Legal Fee	(18 204)	(27 060)
Other	-	-
Paying Agent fee	-	-
Rating Agency fee	(39 354)	(38 745)
Service fee	(72 000)	(72 000)
Transaction Manager	(57 203)	(56 750)
	<u>(273 039)</u>	<u>(309 205)</u>

18.3 Deposits at other Credit Institutions:

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Deposits	8 814 786	8 814 786
Cash Reserve	446 559	465 260
Liquidity Account	396 355	577 271
	<u>9 657 700</u>	<u>9 857 317</u>



The item "Deposits at other Credit Institutions - Notes" corresponds to deposits at Citibank – London Branch.

18.4 Loans to customers

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Loans	216 607 507	318 856 140
Overdue loans	-	-
Portfolio acquisition premium/(discount)	1 658 099	2 632 766
Overdue interest	-	-
Accrued interest	-	-
Impairment	-	-
	218 265 606	321 488 906

Amounts regarding capital receipts are as follows:

Year	<i>(Expressed in EUR)</i>				
	Beggining Balance	Reimbursement	Purchases	Write-off	Ending Balance
2019	-	(55 009 722)	475 000 000	-	419 990 278
2020	419 990 278	(101 134 138)	-	-	318 856 140
2021	318 856 140	(102 248 633)	-	-	216 607 507

18.5 Debt securities issued

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Securitisation notes	227 375 054	330 936 591
Accrued interest	146 295	203 586
Issued notes premium	-	-
Issued notes discount	-	-
Others	371 986	167 209
	227 893 336	331 307 387

Pursuant to the provisions of the contractual agreement, the bonds' repayment date began in August 2019, ending in February 2024, the legal maturity date for all the tranches. The amounts of interim securitization bond repayments had the following breakdown:

Year	<i>(Expressed in EUR)</i>		
	Initial Amount	Amortization	Ending Balance
2019	476 321 000	(42 545 061)	433 775 939
2020	433 775 939	(102 839 347)	330 936 591
2021	330 936 591	(103 561 537)	227 375 054



18.6 Other liabilities

Description	<i>(Expressed in EUR)</i>	
	31-12-2021	31-12-2020
Agent bank fee	-	-
Audit fee	8 918	16 913
Issuer fee	4 509	5 803
Others	-	-
Paying agent fee	-	-
Service fee	6 000	6 000
Transaction Manager	10 544	10 120
Other Payable	-	-
	29 970	38 836

Statutory Auditor's Report

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail)

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Tagus – Sociedade de Titularização de Créditos, S.A.** («the Entity»), which comprise the statement of financial position as at 31 December 2021 (showing a total of 6 185 976 768 euros and a total net equity of 822 919 euros, including a net profit of 266 504 euros), and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, 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 **Tagus – Sociedade de Titularização de Créditos, 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 International Financial Reporting Standards (IFRS), as adopted in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese 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 Ordem dos Revisores Oficiais de Contas code of ethics.

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

Emphasis of matter

In accordance with the legislation in force, namely Decree-Law no. 453/99, the Entity is obliged to segregate the autonomous financial position of each operation, accounting for the assets of each operation exclusively by the corresponding liabilities. Although the Entity complies with these requirements provided for in the legislation, we draw attention to the fact that the disclosures included in the Notes to the financial statements, relating to the loan portfolio indicators for each operation, result exclusively from the information provided by the originators / servicers of the operations, and consequently, in some cases, the financial statements do not contain all the disclosures required by the International Financial Reporting Standards, namely those required by IFRS 7 ("Financial Instruments: Disclosures") following the introduction of IFRS 9 ("Financial Instruments"), regarding credit risk. However, as disclosed in Note 26 ("Risk Management") of the Notes to the financial statements, the Entity acquires credit portfolios that are subsequently subject to securitization operations, so there is an effective and total transfer of credit risk from these portfolios to the note holders of the bonds issued in the scope of these operations, which do not affect the Entity's Equity.

As mentioned by the Board of Directors in Note 27 of the Notes to the Company's financial statements ("Subsequent Events"), as of this date it is not possible to anticipate the consequences that the current situation of conflict in Eastern Europe and the consequent economic sanctions imposed, may have on the economy at a national and global level, and therefore it is not possible to reliably estimate the impact that this situation may have on the future financial situation of the Entity.

Our opinion is not modified in relation to these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

Operational risk associated with the accounting recognition of securitization operations	
Key Audit Matter description	Audit approach and response
<p>As disclosed in Note 26 "Risk Management" of the Notes to the Entity's Financial Statements, operational risk translates into the potential loss resulting from failures or inadequacies in the internal processes, people or systems, or even the potential losses resulting from external events. Considering that the Entity has the purpose of carrying out credit securitization operations, through the acquisition, management and transmission of credits and the issuance of securitized bonds for the payment of acquired credits, with each securitization operation being a single operation, involving several counterparties / stakeholders, the Entity needs to carry out a set of procedures for obtaining, reconciling and processing information from different sources in order to proceed with the accounting treatment of each of these operations. Given the relevance and volume of information received from the various sources of information, in the Entity's Financial Reporting process, this matter was</p>	<p>In order to respond to the identified risks, among the Audit procedures carried out, we highlight the following:</p> <ul style="list-style-type: none"> • Documentary analysis of all relevant supporting information relating to each of the Entity's operations; • The survey of the procedures instituted in the process of obtaining and reconciling the information received from the various sources, as well as in the financial reporting process, based on the various data obtained; • Verification of compliance with the regulations applicable to each of the securitization operations; • Conducting substantive tests of detail on the amounts recorded in the accounts, taking into account (i) the information defined in each transaction and (ii) the information received from the several parties; • The critical analysis of the credit portfolio of each of the operations (including the amount of impairment recorded in them), through procedures of

considered as relevant within the scope of our Audit.

external circulation to the originators / servicers of the operations; and

- The assessment of the adequacy of the disclosures made in the Notes to the financial statements, considering the applicable accounting framework (IFRS).
-

Responsibilities of management and the supervisory body for the financial statements

Management is responsible for:

- the preparation of financial statements that give a true and fair view of the Entity's financial position, financial performance and cash flows in accordance with the International Financial Reporting Standards (IFRS), as adopted in the European Union;
- the preparation of the management report and the corporate governance report, in accordance with applicable 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, the matters that may cast significant doubt about the Entity's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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;
- communicate with those charged with governance, including the supervisory body, 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;
- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes their public disclosure;
- provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and communicate them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related measures taken to eliminate threats or the safeguards applied.

Our responsibility also includes the verification that the information contained in the management report is consistent with the financial statements and the verification of the requirements as provided in numbers 4 and 5 of article 451 of the Portuguese Companies' Code.

Report on other legal and regulatory requirements

On the management report

Pursuant to article 451.^o, n.^o 3, al. (e) of the Portuguese Companies' Code, it is our opinion that 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, having regard to our knowledge and assessment over the Entity, we have not identified any material misstatements.

On the corporate governance report

In our opinion, the corporate governance report includes the information required to the Entity to provide under article 245.^o-A of the Securities Code, and we have not identified material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and m) of the number 1 of that article.

On the additional matters provided in article 10 of the Regulation (EU) nº 537/2014

Pursuant to article 10 of the Regulation (EU) nº 537/2014 of the European Parliament and of the Council, of 16 April 2014, in addition to the key audit matters mentioned above, we also report the following:

- We were appointed as auditors of the Entity in the shareholders extraordinary general assembly held on 13th February 2020 for a first mandate from 2019 to 2020. We were appointed at the General Shareholders' Meeting held on 18th June 2021, for a second mandate between 2021 and 2023.
- Management has confirmed to us that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism, and we designed audit procedures to respond to the possibility of material misstatement in the financial statements due to fraud. As a result of our work we have not identified any material misstatement on the financial statements due to fraud.
- We confirm that our audit opinion is consistent with the additional report that we prepared and delivered to the supervisory body of the Entity on 29th March 2022.
- We declare that we have not provided any prohibited services as described in article 77.^o, number 8, of the Ordem dos Revisores Oficiais de Contas statutes, and we have remained independent of the Entity in conducting the audit.

Lisbon, 29th March 2022

Mazars & Associados, Sociedade de Revisores Oficiais de Contas, S.A.

Represented by Fernando Jorge Marques Vieira (Statutory Auditor nº 564 and registered in CMVM with the nº 20160225)